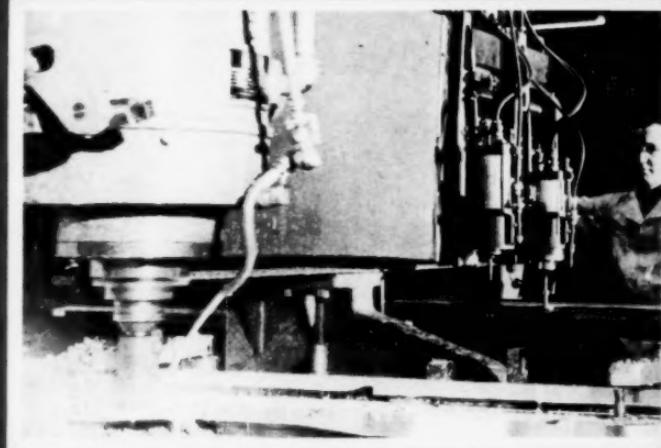


JULY / 1958

Manage



- AUTOMATION AFFECTS THE PLANT
- ETHICS AND THE EXECUTIVE
- WHITHER FRINGE BENEFITS?
- IMPROVING FOREMAN RELATIONS

5 dollars / year



...from the executive vice-president

Report
to
the
Membership

MARION N. KERSHNER

Twice each year the entire NMA staff gets together as a group to exchange ideas and information, and to be brought up to date on the latest programs and procedures of the Association.

Again this year, two weeks in July have been set aside for the field staff to attend a seminar at National Headquarters in Dayton. Seven NMA Area Representatives and the Club Education Director will attend this seminar which begins on July 7 and lasts until the 18th.

This is our annual opportunity for all the staff to get together, to go over plans for the coming fiscal year, and to be briefed on new programs and procedures and begin plans for future years. It's a fully-packed two weeks designed to provide better service for NMA members.

Among the subjects to be covered is a new clinic for club officers which will be sponsored by Area Councils and/or NMA Zone Vice-presidents. These clinics will be held to train club officers or committee chairmen for leadership. They will include sessions for club presidents, secretaries, booster chairmen, etc.

Also being studied is a new group-discussion subject which is being added to our growing list of planned programs. And, of course, they will finalize

(Continued on page 66)

N

EDUC

WASH

BUSIN

IN T

July, 19

ginning
to mon
up-to-th
sider th
up on
Holger-
adopted
tells ho
methods
sooth t
help to
ON TH
machine
eliminat
cut prod

MANAG
ASSOCIA
publicatio
Dayton,
office 230
returned
Editorial
1968 by TH
foreign, \$

CII

MANAGE



MANAGING EDITOR: *W. W. Keifer*

CONTRIBUTING EDITOR:

Louis Ruthenburg

• EDUCATION DIRECTOR: *William Levy* • RESEARCH: *Norman George*

• WASHINGTON CORRESPONDENT: *Stewart French*

• BUSINESS CORRESPONDENT: *William Freeman*

• BUSINESS & CIRCULATION MANAGER: *L. E. Nangle*

IN THIS ISSUE

July, 1958

Vol. 10, No. 10

What automation is, and how it affects the plant is told in a comprehensive article by Joseph Harrington, Jr., beginning on page 9 . . . What are the chances of the Congress passing a bill to monitor the actions of labor unions? See WASHINGTON REPORT for an up-to-the minute, behind-the-scene, report . . . Many executives who consider themselves idealists when it comes to the big decisions are slipping up on the decisions that count—the small ones. See page 16 . . . The Holger-Nielson Method of artificial respiration is the latest proved method adopted by such institutions as the American Red Cross; John B. Dunne tells how the new method works, and why it is better than the older methods, and why supervisors should know it . . . music hath charms to soothe the savage beasts (that's only a paraphrase) but, anyway, music can help to relieve fatigue in your office or factory. See page 26 . . .

ON THE COVER: *A view of an electronic tracer-controlled profile milling machine at the Boeing Airplane Co. Wichita, Kans.; this machine virtually eliminates hand finishing on B-52 wing spars by precision cutting, and has cut production time on this one part from a total of 200 hours to eight hours.*

MANAGE is published monthly on the 25th by THE NATIONAL MANAGEMENT ASSOCIATION (formerly The National Association of Foremen) as its only official publication. Entered as second-class matter September 9, 1952, at the post office in Dayton, Ohio, under the Act of March 3, 1879. Printed in the U. S. A. Publication office 230 West Fifth Street, Dayton 2, Ohio. All address changes and publications returned under postal regulation 3579 should be sent to editorial offices in Dayton. Editorial and executive offices: 321 West First Street, Dayton 2, Ohio. Copyright 1958 by The National Management Association. Subscription rates: annual U. S., \$5.00; foreign, \$7.50; single copy, 50 cents. Bulk subscription rates upon request.

CIRCULATION THIS ISSUE: OVER 75,000, DOMESTIC AND FOREIGN.



Washington Report....

....for supervisors

by Stewart French

Top news in the National Capital for management, including, of course, management's front-line men, supervisors, is Congressional action on the Kennedy bill to amend, in fact, the Taft-Hartley Act. The Senate measure, sponsored by the rich, blue-blooded "Fighting Sailor" from Boston, will make the first major change in the Labor Management Relations Act (the official name for Taft-Hartley in the statute books) in the 11 years since the late Sen. Robert A. Taft master-minded his reform of the Wagner Act through Congress.

As of this writing, the bill, which was hammered out in the Senate Labor Committee, with highly important assists from Senator McClellan of the special labor rackets unit, is a long way from becoming law (passage by houses of Congress and signature by the President), so it's impossible to report on its provisions with any degree of certainty. But enactment of a bill that would make unions in our democracy more democratic, more responsible and responsive to the rank-and-file worker-members, is a good bet.

The Wagner Act of New Deal days (1935) was called "Labor's Charter of Liberty." It established collective bargaining as a principle of our law and economy, and gave unions a special, highly, protected status. The Wagner Act was primarily a union, Big Labor bill. Twelve years later, in 1947, the Taft-Hartley Act, enacted by the Republican 80th Congress over President

Truman's veto, imposed a degree of responsibility on unions, making them, as well as employees, amenable to unfair labor practice charges.

Taft-Hartley, comparatively, was a "Management" bill.

(It also cleared up the status of supervisors, who were not mentioned in the Wagner Act. Taft-Hartley distinguished supervisors from "employees," and exempted them from mandatory collective bargaining.)

And now, 11 years after Taft-Hartley and 23 after Wagner, we have the Kennedy bill under which Congress would declare it to be national policy that—

"in order to accomplish the objective of a free flow of commerce it is essential that labor organizations, employers, and their officials adhere to the highest standards of responsibility and ethical conduct of the internal affairs of their organizations, particularly as they affect labor management relations."

Thus the internal affairs of unions, such as the use of union funds and the selection and election of officers, would be brought under the direct supervision of the federal government. The proposed legislation is careful to include also activities of employers affecting labor management relations in its criticisms and terms.

The Kennedy bill could be called a rank-and-file labor bill—and a public's bill.

WARNING: Management should recognize that once it's established in law that the federal government can reach its long arm into the running of local unions, a mere extension of the principle would permit the government to tell corporations and management in general how to run their businesses. Now management of business organizations is subject to state and local laws. Intervention and supervision by the federal government from Washington might be a different matter.

What's sauce for the goose might be sauce for the gander.

WHAT'S GOOD FOR SUPERVISORS

If the measure becomes law in an approximation of its present form, supervisors should benefit. Union

leaders, on both the national and local levels, will be more responsible to the men they represent. They necessarily will be more interested in what's good for the men than in the "what's-in-it-for-me" sort of dealing.

Chances are, there'll be a different type of men coming up as union officials.

Also, the workers themselves will realize that pleasing the union bosses isn't as important anymore. They'll spend more time and energy in doing a good job.

And what's good for supervisors is good for industry and the country.

One of the difficulties facing final enactment of a really strong bill is that this is an election year.

That's not a cynical remark. In a democracy, elected officials are supposed to represent the people, to be responsive to their wants and needs. The question is, how does a legislator find out what his constituents want? He must, or should, also lead his constituents. This is often a process of education. Both finding out what the voters want and trying to lead them to want the right thing takes time. And there's an awful lot of other things going on, too.

IN THE RED—WAY IN

For one thing, July marks the beginning of a new fiscal year.

Supervisors and this reporter, along with some 170 million-plus of our fellow Americans, are ending the old year—fiscal '58—some \$3 billion or so in the red. That is, our federal government's expenditures will be that much more than its total income. And the worst of it is that at the rate we're going, or rather spending, we'll wind up next year with an estimated deficit of another \$11 billion or so.

That's not good, but the alternatives are even worse—such as neglecting our defenses, or letting the recession toboggan into a depression. Besides, the economists assure us that deficit spending on a national scale, for our protection and economic and social

development, as a nation, isn't the same thing as doing it individually.

The recession is of course still an unsolved problem. What should government do, if anything? The memory of what happened when the government did nothing in the early 30's is still fresh in the minds of many. Yet the dangers of political interference in our highly complex economic machine also are very real.

Despite the vigorous efforts of Sen. Paul Douglas, Illinois Democrat, the Republican Administration and the conservative Southern leadership in the House and Senate appear now to have forestalled any general income tax cut. Spending on public works is frowned on in principle and generally, but accepted in fact and individually.

Neither the Administration nor Congress has come up as yet with the answer to the recession. It's worrying a lot of people, in Congress, in the Administration, and those who are out of jobs.

Among other pending "hot" matters are proposals to curtail the powers of the Supreme Court; the financing of political campaigns by widespread public contribution of small amounts, the totals to be divided equally among the parties (an alternative is to finance election campaigns by appropriation of tax funds) in order to free office-holders from being under obligation to a few big contributors, whether they be Big Businessmen or Big Unionmen; the regulation of regulatory agencies, such as the FCC, which awards those TV channels; and that new old friend of what to do about outer space.

FORTY-NINE STARS?

What one Congress does another Congress can undo—usually. But the granting of statehood is an irrevocable act. On 35 occasions Congress has granted statehood to incorporated territories (that is, areas where the Constitution and laws of the United States apply, as distinct from unincorporated areas, such as Puerto Rico, or Guam); and never once, in any of the 35 instances stretching over 167 years of our national

history, has statehood failed, either politically or economically.

The first state admitted after the formation of the United States by the 13 Colonies was Vermont, in 1791, and the most recent was Arizona, in 1912.

These facts make the legislation to admit the richly-endowed American Territory of Alaska as the 49th state all the more momentous. Less than three miles of shallow sea separate the Alaskan island of Little Diomede from the Russian island of Big Diomede. Thus statehood for Alaska would carry American democracy-in-action to within sight, literally, of the Communist empire.

Perhaps indicative of how complex everything becomes is a comparison of the law which admitted Vermont 167 years ago and the Alaska statehood bill of today. The Vermont Admission Act consists of eight lines, merely declaring that, the people having petitioned, the State of Vermont "shall be received and admitted as a new and entire member of the United States of America." The Alaska bill runs for some 37 pages of "bill print type," and is full of complexities, legal, political, and economic.

Judging by the mail received by Senators and Congressmen, more people are interested in how the flag will look than in any other detail. The Constitution doesn't say anything about the flag. However, in 1794 the third Congress, with George Washington as President and John Adams as Vice President, passed the first law declaring what the flag should be. They thought there should be a stripe and a star for each state, then 15 in number.

However, by 1818 it had become apparent that we were going to be a big nation with a large number of states, so Congress revised the 1794 law to provide for a stripe for each of the 13 original colonies, and a star for each state, then 20 in number.

The present law provides for 13 alternate red and white stripes, but makes no provision for the arrangement of the stars. In practice, the "official" arrangement is that set by the President.

Looks as if Mr. Eisenhower might have still another job.

T
would
when
It wa
conve
compl
the la
was a
turn i
in spri
averag
that so
had be

AUT

The
ascribed
there w
to the
among
tion to
tain sci
veloped
we can
tions re
electron
feedback

Indeed
national
for thes
cause it
total pro
the next
tain our
with a p
per cent
therefore,
tivity mu
attention.

Autom

To discuss the impact of automation upon industrial plants, it would help to know what we mean when we use this word automation. It was invented to fill the need for a convenient verbal handle on a rather complex, intangible phenomenon. In the late 1940's and early '50's there was a pronounced and definite upturn in the Gross National Product in spite of a steady decrease in the average work week. Everyone felt that some new factor of productivity had been added, as indeed it had.

AUTOMATION

The collective effect was loosely ascribed to automation; actually, there were many factors contributing to the upswing of productivity, among them the vigorous application to industrial problems of certain scientific techniques used and developed during the war. Specifically, we can list the techniques of operations research, systems engineering, electronics, and servomechanism (or feedback) control of machines.

Indeed it is fortunate that our national productivity is increasing, for these or any other reasons, because it will be necessary to increase total production some 50 per cent in the next 10 years if we are to maintain our rising standard of living with a potential increase of only 15 per cent in working force. Anything, therefore, which increases productivity must receive our most careful attention.

Automation has been carefully and



AFFECTS the PLANT...

officially defined by the Radio-Electronics-Television Manufacturers' Assn. as the technique of improving human productivity in the processing of materials, energy and information by utilizing in various degrees, elements of machine self-control and of automatically executed product programming. It has already had an impact on almost every facet of industrial and commercial life. For example, in light assembly work, citing my own activity, the development of the Dynasert machine manufactured by United Shoe Machinery Corp. for the assembly of electronic components into the printed wiring boards

Joseph Harrington, Jr.

Head Mechanical Engineering Section,
Engineering Div., Arthur D. Little, Inc.
Cambridge, Massachusetts

used in making radios and such equipment. A conveyor belt is arranged to carry the printed wiring board past a series of operating stations at each of which the board pauses while the mechanism inserts a component into prepared holes in the board. One or two attendants and a supervisor can operate the machine, which will perform the work of twenty or thirty hand assemblers.

Information handling

Information handling by machinery is exemplified in the automatic accounting system used in savings banks. When a savings teller punches into his keyboard the information as to the account number and the draft size, the machine automatically checks the balance in the account, checks for liens or stoppages against the account, makes a record of the payment, and notifies the teller that all is clear. Later, it changes the permanent record and balances the books for the day.

An example of automatic control of production can be found in the numerically controlled milling machines used in the aircraft industry for production of complicated aircraft parts. A designer feeds into a computer the dimensions of the part he wishes to produce and the computer reduces this design information to point-by-point location of all of the surfaces to be milled. It then computes the position of the milling machine tool and punches a paper tape telling the machine how to

move the raw stock past the cutting point.

An example of materials handling by automatic equipment is the much discussed automatic warehouse. It should be possible to receive incoming shipments in bulk, distribute them into storage portions of the warehouse, and then reassemble mixed lots for local shipment, all without human handling. The automatic handling equipment can be controlled by the same punched cards which are used in inventory control, accounting, invoicing and shipping.

As an example of heavy industrial production, think back to the days when steel was made in batches in an open-hearth furnace and then rolled into sheets and bar stock. Today steel making is no longer a batch process but, wherever possible, is a continuous operation.

Incidentally, note that this word automation is properly applied to something a person does—an engineer or economist—and not to a kind of machinery. Machines are properly described as *automatic*; they are becoming more automatic. But *automation* implies much, much more. It may be of interest to know how one goes about the application of this technique of automation.

In applying this technique three steps are followed. For example:

Recently a manufacturer said to me, "I don't know what automation is, but if it's good for me, I want

some..."
in such
problem
manufactur
are pro
and so
we can
attack
the end
ought t
Seco
timum
produ
an auto
look at
right th
If it is
formati
commun
cess fro
to selec
ing the
it has
with th
mately
step can
gineerin

Final
to carry
may be
draulic,
ment.
engineeri

Such
signific
product
note tha
with a
quite di
the fulle

some." The *first* thing we have to do in such a case is to decide what the problem really is and what the manufacturer ought to try to do. These are problems in technical economics, and sometimes business management; we can use operations research to attack some of the problems. But in the end we decide what his product ought to be.

Secondly, we explore for the optimum method of achieving that product. If it is a tangible thing like an auto engine or a new plastic, we look at the process from raw material right through to the finished stock. If it is an intangible thing like information handling in banking or communication, we look at the process from input to output. We try to select the best method of achieving the goal, without regard to how it has been done in the past, but with the thought in mind of an ultimately mechanized process. This step can be described as systems engineering.

Finally, we devise the machinery to carry out the selected process. It may be mechanical, pneumatic, hydraulic, electrical or electronic equipment. This part of the task is engineering.

Such an approach can well produce significant improvements in the product as well as in the plant. But note that it is not unusual to end up with a quite different product, and quite different materials. Carried to the fullest extent, it may produce a

plant in which every bit of equipment is integrated into one big machine. This doesn't happen very often, but it poses some unique problems, as shall be seen. Actually, examples of all possible degrees of mechanization can be found.

To the extent that a new plant is to approach full automation, to just that extent will the plant be affected by the following factors. Because a plant really consists of men and machinery housed in a building, let us look in detail at the way automation will affect each of these things.

Unnecessary worry

Will automation reduce the plant labor force? The concept of a factory populated solely by push-button controlled machines, and a general manager to push the button, is totally unrealistic and erroneous. It is responsible for some of the adverse reactions to automation, because of the implied impact on individual workers. These people are perturbed unnecessarily, and anything that can be done to dispel this misconception would be welcome.

An overall increase of 10 per cent in productivity per worker would be considered an excellent achievement. One of the most fully automatic plants anywhere in this country is the Government-owned 15mm shell plant in Rockford, Ill. It was designed for very high production and uses "20 per cent less manpower, both direct and indirect, than conventional plants." *(See next page)*

It is not hard to see why the overall labor reduction is bound to be as small as this. If a machine is to replace a man, it must (1) be able to do the work, and (2) do it more economically than the man. Automatic machinery is designed to do some one thing over and over, and do it well and fast. But the number of jobs in a given plant where these conditions exist is relatively small in number. There are many which call for manual skill above the ability of a financially justifiable machine, as in watch making, or which call for judgment above the ability of a reasonably priced computer. Reductions of labor force in a small portion of the plant may be striking, but overall the average is not great.

Therefore, companies will still need to provide parking lots, cafeterias, washrooms, personnel offices, and all the other paraphernalia that go with handling working people.

Will automation change the character of the labor force? The answer to this is probably "yes." Certainly there will be a reduction in the number of unskilled laborers required per unit of production. A good example of this is the changing character of a steel mill in which years ago tremendous amounts of unskilled labor were required. Today, much of the heavy work is done by machines and fewer but more-skilled laborers are required. On the other hand, the more machinery that you can use, the more the highly skilled manual operations will be eliminated. In manu-

facturing watches, for example, the division of operations into simple tasks performed by machines and the introduction of a high degree of mechanization has made it possible to use machine operators with less finger dexterity and this consequently shortened training time. We can, therefore, see the emphasis changing in the kind of labor required toward the middle of the spectrum, away from unskilled labor and away from highly skilled *manual* labor.

Shortage of technicians

There is one exception to this latter statement. There is at present a dearth of highly skilled electronic technicians, instrumentation men, mechanics, and hydraulic or pneumatic technicians. Such people are urgently required to keep intricate machinery in operation and will come to form the backbone of highly mechanized factories.

It appears, therefore, that automation will involve seeking access to a different kind of labor than in the past.

Will automation change the nature of plant management? If the productivity of the individual worker is to be increased, this leads to the conclusion that there will be a higher ratio of management people to productive workers in the factory. As yet the automatic machines are not self-managing. By the same token, there will be a higher ratio of maintenance people to productive people. As an example, when a machine was

installed to assemble electronic equipment, the personnel complement included one foreman, four stock girls, an inspector, and four maintenance people to keep the machine adjusted and running. Previously this same production had required a foreman, two supervisors, four stock girls, one maintenance man, thirteen inspectors, and one hundred assemblers.

It is well to point out here also that the concept of maintenance of highly mechanized equipment is different from the accepted accounting classification of maintenance. These skilled technicians are essential to keep the machines adjusted and operating correctly and actually form a part of the production team.

If, as previously suggested, automation in a plant is carried to the point where all of the equipment forms a single integrated machine, then it is bound to cross over old lines of supervisory control and thus it will change the plant organization structure. Where previously there were two or three departments, each with a foreman, now there is but one, because control of one machine line cannot very well be divided among several foremen.

Similarly, where previously there may have been several craft or skill unions and possibly a maintenance union, the machine now crosses these jurisdictional lines.

How does Labor react to this potential change? Fortunately, the informed leaders of American labor are

very receptive to the contribution which mechanization can make to the American economy and have not raised opposition, in general, to the introduction of automation. They are, of course, concerned with the interests of the individual workers and naturally endeavor to protect these workers from technological displacement, even though unemployment is only temporary. Recently we have noted the beginning of a long-term drive on the part of labor to achieve a work week even shorter than forty hours to take advantage of the increasing productivity which automation is expected to bring.

Let us now turn from the people to the machinery and buildings.

Plant size down

Will plant sizes be changed? Some reduction in size can be expected. As pointed out before, a 10 per cent reduction in working force would be quite an achievement—a corresponding reduction in plant area might be expected. We can also expect to have less work-in-process at any given time because mechanized production lines keep the work moving at all times. Also, because automation implies programing and rapid manufacture, smaller finished stock inventories can be expected. I know of one plant which expects to reduce its finished stock by 50 per cent, substituting for its present large inventory a rapid planned production-to-order, and a smaller stock and shipping room. *(Continued on next page)*

The cost of automatic equipment is so great that it is wise to keep it operating as many hours per day as possible, which suggests two- or three-shift activity. If on these expensive automatic machines a small operating crew is required, it should be less difficult to staff the second and third shifts than if the equivalent amount of unskilled or semi-skilled labor had to be brought in at night.

On balance, therefore, we can expect somewhat smaller plants, in proportion to the degrees of mechanization achieved.

Multi-levels okay

Will automation change the layout or character of a plant? In general, it is a principle of mechanization to convey work mechanically from place to place, taking it from one machine and feeding it to the next without losing orientation or control. If then, all material handling is accomplished by conveyors, there is less objection to multi-story plants than when materials were carried by hand, truck, or similar methods.

We can, of course, expect improved safety and a general upgrading in the working conditions as a result of automation. This is not only inherent in the more mechanized processes, but is a demand of the class of people who work on this equipment.

Will automation indicate change in plant locations? There are many factors influencing plant location which are only secondarily touched

by the considerations of automation, but remember specifically the access to a different kind of labor market, as noted previously. It is also wise to be close to the source of spare parts and service facilities for your production machinery if you do not intend to provide a self-sufficient maintenance and repair shop.

Will automation change plant costs? Referring only to the capital equipment installed in the plants, a sizable investment in the specialized machinery implied by automation can be expected. As yet, almost all such equipment is custom built and is, therefore, made in small lots and is expensive. It is almost all built by specialists and the development costs are inevitably high. The occasions in which there has been a reduction in capital equipment costs have been those chemical plants in which large process storage tanks have been eliminated completely when a change from batch processing to continuous processing has completely eliminated some steps in the process.

Before leaving this subject, a word should be said on how imminent these changes are. Automation is not about to revolutionize American industry. As mentioned previously, there has been a distinct upturn in the rate of productivity in the recent years, but there are built-in limiting factors which prevent this new technique's changing from a gradual growth into a stampede.

The first of these is the initial investment in equipment. Few people

are men
one the
cred
ings,
experi
mone
Sec
compl
sign
wise
a dev
the st
ought
ic ana
to do
gineer
fore ac

are willing to undertake an investment which will not pay for itself in one to three years on the basis of the money savings which can be credited to mechanization. The savings, however, do require the initial expenditure of a sizable amount of money.

Secondly, there is a lack of really competent engineering talent to design and install this equipment. A wise management will not undertake a development without carrying out the steps of determining what they ought to do (which requires economic analysis), of determining how best to do it (which requires systems engineering and good technology) before acquiring new plant equipment

(which involves engineering). It is axiomatic that a team of economists, technologists, and engineers is required. Most industrial organizations find it difficult to assemble such a team within their own plant.

The third reason is management's lack of courage required to embark on such a major project. The decision to automate involves not only the manufacturing areas, but sales, product policy, and finance. It is not a program to be undertaken lightly and many an organization has hesitated before embarking on such a career.

Therefore, automation will not sweep the country—fortunately—but will come along steadily and at a steadily increasing rate.

Reprinted from the August, 1957, issue of AUTOMATION.



"How did it go today, dear?"

ETHICS and

THE EXECUTIVE: *the small decisions that count*

In the life of every executive, decisions involving basic ethical principles are frequent—and many of the situations are so casual that it is easy to overlook the moral judgments required. Yet many small slips will eventually undermine the executive's integrity—and give rise to a cynical attitude among employees, customers, and the public.



THE SUEZ CRISIS not only posed far-reaching political and economic problems; it also brought to the fore fundamental questions of ethics and morality. That these questions should be highlighted with such clarity on the world scene is of more than coincidental importance to the business executive.

For never before has the American business community been so deeply concerned about its moral responsibilities to individuals and society. Today's executive is again and again putting himself and his corporation through a rigorous process of soul-searching on these questions. And slowly but surely he is helping to evolve what Adolph Berle, in his

provocative *Twentieth Century Capitalism*, calls, the "corporate conscience." Almost unquestionably, this concern for the "moral decision" has been one of the key end-products of broader stock ownership and the wide use of the professional manager.

Certain case examples come to mind immediately, for their counterparts have been in the news continuously in recent months:

- The board of directors of a textile company decides to close three mills in upper Massachusetts and New Hampshire. When and how are the employees to be notified?

- The president of a machine tool concern is threatened with a proxy contest by insurgent interests apparently chiefly interested in a spin-off for short-term financial gain. He ponders whether to attack the opposition on a personal basis.

by Wayne G. Broehl, Jr.

Amos Tuck School of
Business Administration,
Dartmouth College

• The labor-relations manager of a construction company is promised labor peace in exchange for under-the-table payments.

• The sales manager of an aircraft company is led to expect preferential treatment on a government bid if the company offers a certain government official a job.

All these examples have one thing in common—they pose questions of considerable import. The wrong answer in any of the four cases could have initiated a chain of events that might have ruined the responsible executive or his company. We have, in effect, what we might call a "catastrophic alternative."

The executive facing such a situation will quickly recognize the importance of the problem; he can be expected in almost every case to perceive its moral and ethical, as well as its economic and political, elements.

Of course, business will always offer opportunities for immoral acts, and every period has produced a "robber baron" element. But the "age of the managers" has produced a climate of morality in business that has never been surpassed; the incidence of robber barons today is extremely low. And, while the exceptions may not be condoned merely because they are few, today's business executives may well be, in matters of the larger ethical issue, among the most moral of the representatives of the world's professions.

But the introspective concern with

large-scale moral issues has further clouded another, and much less easily discernible, ethical pitfall. This lies in the executive's daily life; it is produced by his obligation to make hundreds of small-scale decisions, none of them catastrophic in themselves. But their cumulative effect is probably much greater than the results of one or two major decisions.

An executive, whatever his functional area, deals with people. Further, his relationship with these people is authoritative; he has, in a real sense, control over their destinies.

The moral implications of this fact are far-reaching. In small ways and over many, many minor incidents the executive exerts a fundamental impact on the characters of the people his influence touches. Often this impact is sizable. An executive with a thoroughgoing set of ethical values will convey these values to people throughout his organization; further, his influence will be felt in the host of external relations that are among his responsibilities. Relationships with suppliers and customers, community and state officials, educators, labor union officials, foreign business men—all are influenced for better or worse by the executive's daily actions.

Not only when a new product is introduced or when purchasing requirements are drastically revised is there ethical and moral interplay; a "routine" sales or purchasing conference, multiplied many times, will have a tremendous long-run effect on

both the executive himself and those with whom he is dealing.

Unfortunately, the temptations for minor slips in the value structure are greatest at this "routine" level. A position of power often makes a person arrogant or pompous; successful administration of a complex organization can readily give a feeling of infallibility unjustified by facts.

Effect is cumulative

A minor slip by a person in such a position is rarely catastrophic; the ethical nature of the situation usually goes unnoticed. But the effect of such minor slips, unfortunately, is cumulative. At last the executive loses his perspective, and his aura of authority tends to destroy the values of those whose lives he touches.

Consider these examples:

• President X founded his company 30 years ago and has made it one of the leaders in its field. His pride in this accomplishment is great. But he has expected equal pride from his key subordinates. Childless, he continues to maintain the killing schedule he followed in the company's early years. His key men must "voluntarily" approximate his schedule; one who does not is considered to lack interest in the company. His executives first chafe under his influence, but soon they accept it and demand the same devotion from their subordinates.

• President Y, one of the most influential men in his town because of his company's dominant position

in the area, becomes chairman of his church's finance committee. He himself contributes generously, and he gets substantial contributions from his friends. At church meetings he frequently makes known his belief that the church should become more of a "social institution"; the minister and many members disagree, but are reluctant to speak out. Finally, the church's character is fundamentally altered over the unvoiced objections of many of its members.

• Vice President Z prides himself on the executive development program he instituted in his division. He attends most of the sessions, often making known his own opinions. He asks the participants in each conference to evaluate the program's worth afterward in a letter directly to him. The responses are uniformly favorable, with heavy emphasis on the ideas he himself expressed.

Each of these three examples shows certain "human relations" errors—the executive was failing to communicate, was not associating himself with the group, was not "listening," and so on. But even had he brought these outward manifestations under control—as he might have, had he taken human relations courses and practiced all the techniques well—he would still have had an over-riding duty to face up to the ethics of each question.

Current human relations courses seem to hit hard on the necessity to "work through people," to gain "positive motivation." The executive is

exhibit
three
muni
totalit

Bu
the se
tive i
these
every
manife
values
for cat
solving
one gr
tions f
failure
ality i
"princi
achieve
stress t
the bas
values.
moment
pressure

Every
does to
persons
and say
heart.
a decisio
tion mal

Such
ly differ
essential
ceived.
and in

Re

Fri
Au

of his
himself
and he
from
ngs he
belief
more
inister
ut are
ly, the
mentally
ections

himself
at pro-
vision.
s, often
ns. He
confer-
s worth
to him.
favor-
on the

amples
lations"
iling to
ociating
was not
en had
manifesta-
t might
relations
the tech-
have had
p to the

courses
essity to
ain "pos-
cutive is

exhorted to develop two-way—or three-way, or even four-way—communication, is told to "perceive the totality."

But little or nothing is said about the set of personal values the executive is to *speak out of* in applying these principles. In the final analysis, everything a person does or says manifests his own set of personal values. One cannot espouse ethics for catastrophic alternatives while resolving "small" issues amorally. And one great vacuum in the human relations field today is the result of its failure to recognize the need for morality in small decisions; it offers "principles" by which one may achieve certain results, but fails to stress that they must be applied on the basis of a firm set of personal values. A decision based solely on momentary considerations or group pressure is amoral.

Everything an executive says and does to subordinates, superiors, and persons outside the company, he does and says out of his own mind and heart. Each action is in a small way a decision in ethics, and the cumulation makes up his character.

Such a cumulation may look widely different in different men. But its essential qualities are readily perceived. It is remarkable how quickly and intuitively subordinates can

sense a man's ethics. Over the long run, humility, kindness, trustworthiness cannot be projected unless they are genuine. And firm and lasting human relations can be effected only through application of principles within an ethical framework. A man who turns his human relations "principles" on and off at will is usually found lacking over the long run.

It would be presumptuous to set forth a "handy list of personal values" that could be applied in any situation; in fact, the tendency to compile such lists is one of the major weaknesses in human relations training.

Reflected worship

But perhaps we may say this much: A man puts first that which he worships. If he worships power or influence, his day-by-day decisions will invariably reflect that fact, no matter how carefully he wraps them in cloaks of selflessness and service. And if he places first his religious faith, his decisions will reflect their religious base even if he tries to conceal it. Since all religions have a common ethical base, it does not matter for our case what his religion may be. What does matter is that any decision, big or small, be made in the conscious realization that it represents an entire value structure.

Reprinted from DUN'S REVIEW AND MODERN INDUSTRY, May, 1957.

Friend: Which of your works of fiction do you consider the best?

Author: My last income-tax return.

HOW TO MOW THE LAWN

Christopher Hamilton



THE FIRST THING TO REMEMBER about mowing the lawn is not to, if you can possibly get out of it.

Mowing the lawn is not only hazardous in the extreme—to yourself, your family, and the innocent bystanders who collect while you are working—but it is depressing to the contemplative mind. You will be able to contemplate lawn-mowing much better if you put it off, or think about getting someone else to mow it.

It is difficult, in this day and age, to get someone to mow the lawn. Teenagers will mow your lawn only if it is in the general shape of a drag strip and, even then, the only teenagers available to do the work are those whose driver's licenses have been recently revoked. (This is, unfortunately, only a temporary matter.)

Other prospects for mowing the lawn are retired gentlemen (with independent means who might like to putter around your yard) and school teachers with big car payments.

One man—Ferd Hempwitz of General Delivery, Hempwitz, Ohio—had the good fortune to be married to a woman who was allergic to baby oil. Ferd was able to make a deal with her; he oiled the baby while she mowed the lawn. Ferd and the baby were pretty well oiled by the time Mrs. Hempwitz had finished with the mowing, but that is a personal matter between Mr. and Mrs. Hempwitz, and we won't go into it further.

Now we have arrived at rule two. If you are contemplating getting married, try to find a girl who is allergic to something, and then swap her allergy for the lawn mowing. (One word of caution: if she is allergic to soap, water, or dishes, you haven't much of a deal.) Send 25¢ for a treatise on weird allergies to General Delivery, Hempwitz, O.

If you have to mow the lawn, use a rotary power mower with a dull blade and the richest gasoline mixture possible. (The dull blade will not only cut the grass, but it will jar the roots, slowing growth; the rich

gas mixture will slow growth, too, and will help clear the air of insects and bystanders.)

Mow the lawn in as straight a path as possible. If you don't, the tires on the mower may wear down on one side, and then, one day, the mower will tip over, burying itself in your yard like a buzz-saw. (There is nothing as irreparable as a mower which has buried itself in clay for several days.)

Now we come to rule three. If your mower is buried, don't think you can substitute a buzz-saw from your workshop. The saw is just as dangerous, and you will need a long cord, because you will find you are cutting it in two. (Actually, this is where the idea for the electric lawn mower came from, but that is a long, depressing, failure-ridden story, and there are the libel laws to think of.)

Be careful of what you mow besides grass. If pets are inclined to roam about the yard, marking their path every now and then, it is advisable to wear brown shoes, the browner the better.

Wire coat hangers are inclined to whip around your legs at high speed, making walking difficult, and sometimes pulling you to the ground where you are left to call for help. (This is extremely difficult over the noise of the lawn mower, and you will be surprised how long the engine will run on a tank of gas.)

There are other uses for a power lawn mower. They are wonderful for lowering into your cistern to mix up stagnant water. Placed in the luggage compartment of a small, foreign car, they will add enough noise to sound like a large, American car. With a little imagination on your part—and several hundred dollars in junkyard parts—they can be adapted to run corn grinders, corn stills, and the still corny ornamental wind mills.

Which brings us to rule four. It is much easier to convert a small foreign car into a power mower than it is to convert a power mower into a small foreign car.

Particularly if the mower has previously been lowered at high speed into somebody's cistern.

A bewildered man entered a ladies' specialty shop and told the salesgirl: "I want a corset for my wife."

"What bust?" the girl asked.

"Nothing," replied the man. "It just wore out."

After a visit to an old friend in the hospital, the man took the patient's lovely nurse aside and said, "Give me the real lowdown. Is he making any progress?"

"None at all," replied the nurse decisively. "He's not my type."

The Supervisor and Artificial Respiration



*In many plants
the supervisor has primary
responsibility for the safety
of the workers under him . . .
and so it is necessary for
him to learn one of the pri-
mary life-saving methods,
the newly adopted
Holger Nielson Method of
artificial respiration . . .*

by John B. Dunne

RECENTLY WE DISCUSSED preventing asphyxia in industry in this magazine. The role of supervision was described in this continuing battle against death by asphyxia. Now we should like to get down to specifics in the immediate treatment to be given victims of asphyxia, i.e., artificial respiration. This can be manually applied, or by means of a resuscitator. Since victims of asphyxia have only five minutes to live after breathing stops, every foreman or supervisor should know how to go to work at once with manual artificial respiration.

You will probably say, "Well I know how to do artificial respiration, I learned it in the Boy Scouts—or Civil Defense—or in the army." But, have you learned to do the latest prescribed method of artificial respiration, now the *standard technique* with the American Red Cross and the United States Bureau of Mines? This is called the Back Pressure Arm Lift, or Holger Nielson, method. You might well ask at this point, "What's the matter with the Schafer Method I learned 10 years ago?" Actually, there is nothing the matter with it if you can give it efficiently. But that is a very big IF.

Much research and thought went into the matter of changing from one method to the other. The armed services were clamoring for a more efficient method since it was known that the Schafer Method poorly applied only resulted in the exchange of 200 or 300 cubic centimeters of air with each cycle. This was scarce-



Photos courtesy The Bureau of Mines,
U. S. Dept. of the Interior

ly enough to ventilate an asphyxiated patient. There were several medical schools given the job of determining the best manual method, and after two years the consensus of medical opinion favored the Holger Nielson Method.

Most of the research was carried on by a team of doctors headed by Dr. Archer Gordon at the University of Illinois College of Medicine in Chicago. Hundreds of experiments with as close controls as possible were carried on. Human guinea pigs submitted to being knocked out with curare only to be resuscitated by one of the methods being studied. One of the techniques was the so-called hip-lift back pressure. This consisted of raising the patient at the middle of his body and then covering him and then applying pressure over his rib cage. This method was very efficient, but wore out the operators too fast—especially if the patient weighed 250 lbs.

It gradually became apparent that the most efficient method which could be taught easily and universally was the Holger Nielson Method. This had been described as early as 1932, by a Dane of the same name. It had been successfully used in the Scandinavian countries for several years but had not become popular in this country because the proponents of the Schafer Method were so firmly entrenched. The researchers found that the average patient could receive an average of 1,000 cubic cen-

timeters, with each cycle of this method, more than adequate to ventilate him. When at rest we usually exchange about 500 cubic centimeters (approximately a pint) of air.

When all the research data was in, all agencies concerned with promoting the teaching of artificial respiration were called in, and it was decided after much discussion to adopt the Holger-Nielsen method as the standard technique for this country.

Remember, there were over 20 million persons already trained in the Schafer Method and the retraining job was a colossal one to face. This new method was given the name Back Pressure Arm Lift and as such is now being universally taught.

How to do it

For those who have already learned the Schafer Method, the Back Pressure Arm Lift should not be difficult to absorb. To those, who have never performed any artificial respiration, a little intensive practice will make you proficient. Let us consider the steps to be taken.

Step 1—Remove the patient from the cause of asphyxia (carbon monoxide, water, electric current, cave in, etc.) and lay him down. Quickly check his mouth and throat for obstructions. Place both hands palms down and flat and rest his face on hands with head turned to one side.

Step 2—Kneel at head of patient on one or both knees so as to block

too much sliding on floor by patient during artificial respiration.

Step 3—Lean over and place both hands on back of patient so that an imaginary line from his arm pits would touch thumbs. Hands should be turned with fingers pointing to the sides.

Step 4—Rock forward until your nose is over your thumbs.

Step 5—Start to rock back but as you do so grasp patient's arms between shoulder and elbows. Pull on arms much as you would in rowing and get as much lift of patient's torso as you can.

Step 6—At end of arm lift replace patient immediately on floor and start back pressure once more.

This should be continued at the rate of 10 to 15 times a minute until normal breathing is restored. Oxygen from an inhalator can be administered during the procedure by merely attaching the facepiece to patient's face. One hundred per cent oxygen should be used, and no carbon dioxide, since these patients have already accumulated all the CO₂ necessary for stimulation of the breathing center in the brain.

How does method work?

As you apply pressure on the back, you cause air to be expelled from the lungs. You then apply a lift and pull on the arms, which causes the ribs cage to be elongated. The lungs inside are also expanded, and as a sponge picks up water the lungs pick

up air in the million of elastic cells. This is the inhalation phase.

When you replace the patient on the floor, the weight of his body starts the exhalation and you complete this with your back pressure.

Now you can see why this method is more efficient than the Schafer. With that, you pressed on the rib cage and assisted exhalation. You depended on the passive recoil of his muscles and lungs to cause inhalation—but you did not assist it. In the new standard technique, you cause exhalation and also assist inhalation. If you wish to try a simple experiment to convince yourself, sit in a chair and attempt to relax and not breathe. Have another person grasp your arms and raise them far above your head. You will sense the in-rush of air. He should then replace the arms quickly and you will

feel the air go out in the exhalation phase. This is a simplification of the new method, but it will prove to you how efficient you can be in breathing for a victim of asphyxia.

Don't forget

Start artificial respiration at once. If you save the seconds you may save a life.

Learn to perform the standard technique efficiently.

Keep the patient warm.

Send someone for the doctor.

Continue artificial respiration until normal breathing is restored or until three medical tests for death have convinced you that further work is futile.

Insist on training for all key personnel in this life saving technique.

The hours spent in learning artificial respiration will seem a small price to pay for the reward of saving a human life.

As members of the National Management Association you can do much towards alerting supervision to the need for training in this all important subject. Classes for supervisors can be arranged by calling your local chapter of the American Red Cross or the nearest station of United States Bureau of Mines. If possible, the entire course in First Aid should be taken. If this is not feasible, demonstration of and training in the standard can be arranged. Periodic practice sessions will assure you of proficiency.

The author, John B. Dunne, now with the Bomgardner Mfg. Co., Cleveland, has had wide experience in the field of respiratory safety. He is a former field representative for the American National Red Cross, and has developed equipment for artificial respiration at the Mine Safety Appliances Co., and Globe Industries, Inc. He has spoken on the subject in the U. S. and Canada and has several books and many articles to his credit.

Cutting Indirect Expense by . . .

RELIEVING WORKER TENSION

by Joseph W. Roberts

Marketing Vice President,
Muzak Corp.

IN THE CURRENT RECESSION, as *Business Week* magazine points out, most companies have adopted efficiency as their watchword and are cutting the money spent on marketing or redirecting both marketing money and manpower to do a more effective job.

Why are they doing this? Because even for those companies which recently enjoyed increased sales, profits have been dropping. In fact, they dropped by 16 per cent in the last quarter of 1957, according to the First National City Bank's survey of 610 leading manufacturers. And, says *Newsweek*, "from all indications, profits are due to slide even more."

More and more companies are awakening to the expensive dollar drain caused by the office costs of management, particularly the low productivity of clerical help. As we



all know, from 75-90 per cent of all office costs are for clerical salaries. Yet the systems and procedures men and industrial engineers tell us that clerical workers rarely produce at more than 50 per cent capacity. Many of you, I'm sure, can think of examples where clerical employees are working closer to 30 per cent of capacity.

Now, if we consider the white collar worker as an economic unit of production, we see some interesting things. The yearly investment a company makes in a clerical worker such as a junior clerk, typist, or office machine operator is about \$3,000 for salary alone. Now, four additional cost elements must be included to get an accurate estimate of total clerical investment. They are recruiting-training investment—the loss of this investment when one out of three new-hires leaves the company, equipment and capital investment depreciation per employee, and fringe benefits. The experts estimate there

fore, that clerical workers represent a total yearly investment of about \$4,840.

With an investment of this size, it is obvious that if clerical efficiency can be boosted even slightly great savings are possible. For instance, lifting clerical productivity of an office staff of 200 by a mere two per cent will return a saving of \$10,000. But listen to this: *Fortune* says that saving \$10,000 a year in office costs can equal the net profit earned on a sales increase of \$200,000! So, in an era of declining profit and difficult sales, we begin to see the true significance of economizing on office costs.

And since office costs are so largely salaries, let's focus on the problem of getting more per dollar from clerical employees. If you have 50 white collar workers and are paying them an average of \$50 per week, your payroll is at least \$130,000 per year. If your turnover rate is the same as the national average, it is three and one half per cent per month or 21 workers per year. And if each new-hire costs you \$400, total, your company loses \$8,400 every 12 months from this one cause alone.

Then there's absenteeism—using the same work force as an example, if your employees are out as little as three days a year apiece, your company is out \$1,500. As you know, the number of paid absences per year per employee is more likely to be seven or eight days instead of three.

Take the obvious problem of mistakes. Every clerical error requires productive time to repeat the job, not to mention the cost of the materials ruined. If you are lucky, your white collar workers may lose only 60 seconds out of every 20 minutes to mistakes. This may seem insignificant, but it means each worker is losing two hours a week to errors, and your company is paying for 5,200 lost hours every year—a total of \$6,500.

Monotony costs

Now, another costly area of salary loss is caused by monotonous work which bores employees and makes them tired and tense. You've seen the effects. Workers react typically with "escape" efforts such as idle conversation, lateness, early departures, "goofing-off" at the fountain or rest room, and inattention which may cause errors or accidents. These reactions reduce worker efficiency and may rob your company of from five to 15 per cent of productive time. Five per cent is actually only three minutes per hour, but it can cost your company \$6,500 per year, because it adds up to 650 days annually for a work force of 50.

We've talked about some of the costs of inefficiency. Now let's talk about some of the answers. What office managers face here is a new frontier in the art of controlling costs. The challenge of reducing waste in payroll dollars demands

searching scrutiny and careful judgment.

A great deal of "science-fiction"-type publicity has been lavished on office automation. It gives the impression that in automation lies our only salvation, our only possible solution to the problem of getting the most out of payroll dollars.

Automation not all

While we must explore every possible use for new equipment, for most of us automation alone is not the answer. With all the new business machinery sold or leased in the past few years the shortage of clerical help is still with us and we pay more for personnel than we did five years ago.

In spite of automation, we will always require people to get the work done, and so long as we have people we will have personnel problems—in fact, automation actually introduces some new problems for workers, ranging from simple noise to complex psychological difficulties.

Let me suggest to you another method—a simpler, perhaps more effective and certainly less expensive way of increasing efficiency—the application of psychology in the work situation.

Undoubtedly, you've noticed how employees seem tired and complain of headaches when they obviously haven't done enough mental or physical work to be worn out. We all know that our employees are not asked to do more than they are physi-

cally and mentally capable of. In fact, to quote a Harvard research study, "the amount of attention the job demands of the employee falls short of the amount which the operator is capable of giving."

As a result, the worker switches "his attention to other things in his immediate environment or indulges in day-dreaming or reverie." The result, according to an American Psychological Association monograph by Dr. H. C. Smith, is that the employee may complain about the job, request a transfer, or quit; he may frequently be absent, late, or away from his work; he may engage in conversations with his fellow workers . . . these responses generally cause at least temporary loss in production.

Nearly all employees suffer from monotony, boredom, fatigue and tension. Most clerical jobs require repeating simple actions which are physically and mentally confining and lacking in challenge. These are monotonous, and lead, therefore, to boredom.

Boredom is a mental state, a conscious or sub-conscious resistance to an imposed condition. In this case it is the job. The employee knows he must work to survive, so, much as he may object to his job, he works at his monotonous task without verbal complaint. Yet all the while he is escaping from the job in little ways—day-dreaming, talking with friends, coming in late, even making mistakes as a spiteful "this is what

you
note

rect
a ne

spon
caus

tensi

to w
huge

centr

natio

emo

distr

prod

U

psych

one

"Mus

ber

favor

bored

musi

tion

over,

movin

even

perio

other

cess

as Dr

sult

versat

The
distr
the se
ming
or mi
fatigued
works

In fact,
study,
the job
is short
operator

witches
s in his
ndulges
" The
merican
ograph
the em-
the job,
he may
or away
gage in
y work-
generally
in pro-

er from
and ten-
uire re-
ich are
ing and
are mo-
fore, to

, a con-
tance to
his case
e knows
o, much
e works
out ver-
while he
in little
g with
making
is what

you get for putting me in this monotonous job" reaction.

Needless to say, boredom leads directly to fatigue, which is defined as a nervous, mental and physical response to stress. Boredom and fatigue cause and are caused by tension—and tension destroys health and ability to work. Worker tension is such a huge problem that *Newsweek* recently reported 25 per cent of the nation's work force is so tense and emotionally upset that it costs industry \$3 billion each year in unproductive wages and in damage to workers and their machines.

University of Michigan industrial psychologist, Norman Maier, suggests one effective antidote, and I quote: "Music may be beneficial for a number of reasons; one of the most favorable effects is its influence on boredom." He goes on to say that music "frees the brain of the obligation of initiating the activity. Moreover, progress may be experienced by moving through the musical program, even if the job tends to give the experience of getting nowhere." In other words, music engages that excess mental capacity which otherwise, as Dr. Smith points out, might result in apathy, brooding, idle conversation, mistakes and so on.

Thanks to years of research by industrial psychologists we know now the secret of scientifically programming background music to prevent or minimize boredom, tension and fatigue. Here in brief is how it works:

Everyone has had the profound experience of being moved to reverence by church music. Music can actually change the heartbeat and affect the composition of the blood as a band goes marching by. Vivacious, romantic, entertainment music often changes a mood completely. In every one of these cases active listening is required. Now I would like to call your attention to work music, specifically designed to soothe nervous tension and foster on-the-job concentration. This cheerful, non-distracting music does not call for active listening, yet it never permits the listener to sink into a state of boredom or apathy.

When work music relieves on-the-job tension, production goes up and errors go down.

Work music works

Studies reported by organizations such as the National Industrial Conference Board and the American Association for Applied Psychology have actually measured production increases through the use of authentic work music, music specifically arranged and recorded, programmed to suit the time, the place, and the kind of work to be done.

Such functional work music must first provide a musical pattern of increasing stimulus against the normal, daily trends of worker fatigue, and second, offset the monotony of the work by proper use of instrumental coloring, change of pace and tonal qualities. The program is varied to

avoid contributing to the monotony and tension it is designed to combat.

Charted ups and downs

Industrial psychologists tell us the average worker goes through a cycle each day he works. The worker reaches his job in the morning theoretically at peak efficiency. With the passing of time, he begins to tire physically. If his work is monotonous, he becomes bored. His production slows and errors increase. By mid-morning, the worker reaches the bottom of his slump. Then his efficiency gradually picks up as he anticipates the relaxation of the lunch hour. He starts the second half of his shift near the top of this curve and follows the same general pattern until the end of his working day.

To offset this decline in efficiency, functional music programs are designed as a mirror image of this efficiency curve. That is, the program begins in the morning at a relatively low point and increases gradually in opposition to the curve until it reaches its highest point of emotional effectiveness between 10:00 and 11:00 a.m. Then it tapers off as the lunch hour approaches. A similar pattern is followed in the afternoon. The program is broken up into alternate quarter-hours of music and silence. This is because studies conducted here and abroad show that music beyond a total of four hours per shift ceases to be effective, and can be detrimental.

In addition to being intermittent, each group of tunes is based on a scale of increasing mood stimulus. This is to provide the listener with a feeling of moving forward, with momentum to carry him from the end of one group to the next.

It is difficult to describe this exactly.

There are certain factors which demonstrate the technique at least in part. We are going to examine a typical 15-minute group that was part of a recent work music program.

Music is sound in motion and its speed is called tempo. It is expressed in beats per minute. We have set up a scale ranging from 40 to 130 beats per minute. Nearly all music falls within this range.

We can start, as here, with a selection that moves at the rate of 70 beats a minute. We might follow this with one at 60, jump to 90, drop back again to 60, then go to 100, to 130 and end at 120. There is an average increase throughout this group. However, it is not steady but fluctuates because variety and change of pace are extremely important in programming functional music. Rather than rely on tempo alone, and run the risk of a monotonous form of programming, other aspects of music are used.

Next is rhythm. Working on the principle that once a pattern has been established, any variation has a positive value, we started with three foxtrots in a row, followed with a waltz, another foxtrot, then a Latin

nun
Age
value
in
une

Vi
Soft
trati
dom
are
elim
ing
an e
ing
out
brass
force
omitt
is pro

In
with
band,
rhyth
numb
the se
them,
three
string

The
orches
dicate
produ
a who
ments.

We
can ad
minus

Zero
tional
music.

number and ended with a foxtrot. Again there is a rise in average mood value throughout the group but, as in the case of tempo, it is purposely uneven and ragged.

We turn to the instruments used. Softest are the strings. More penetrating are the woodwinds. Most dominating and emotionally exciting are the trumpets and trombones. By eliminating the strings, the remaining woodwinds and brasses produce an even more exciting and stimulating sound. And finally, by dropping out the woodwinds, we have the brasses alone, the strongest, most forceful tones in music. We have omitted the rhythm section, for this is present in each number.

In our sample group, we started with an average American dance band, including brass, woodwind and rhythm sections. For the second number we added strings to soften the sound, took them out, replaced them, and then ended the group with three numbers in a row without strings, just brasses and woodwinds.

The final item is the size of the orchestra. This is an attempt to indicate the difference in the sound produced by a solo instrument and a whole choir of the same instruments.

We now have a pattern and we can add up the various plus and minus values for each selection.

Zero represents the normal emotional influence of background work music. Using the four factors, tempo,

rhythm, instrumentation and orchestra size, let's see how the emotional effectiveness of the second number in the group is figured.

Tempo and instrumentation each produce a minus one value or a total of minus two. Foxtrot rhythm is regarded as normal and has no plus or minus value. The size of the orchestra, however, has a value of plus 3. This, offset by the minus 2, gives us a result of plus one. So we draw the black line through the plus one level at this point.

Applying this technique to the mirror image curve, we can start any music group at a point in the scale and follow it up with groups either higher or lower in value in opposition to the worker efficiency curve. We can, for instance, start at a low point and build the group on a very steep pattern.

Flattens dip

When programmed this scientifically planned way, music reduces boredom and worker tension. It is most effective in repetitive work operations, but in all cases the effect of properly programmed functional music is to flatten out the dip in the efficiency curve as shown here. Often this is a measurable result where records of productivity, errors and the like are maintained. While the figure may vary widely according to the individual, for groups the increase in efficiency has been found to average out somewhere between five and 20 per cent. *(See next page)*

Error rate down

Errors are reduced, for example. In a study of the effects of planned background music on clerical performance, the well-known management engineering firm Stevenson, Jordan & Harrison found the error rate dropped considerably.

Using all the latest techniques of the time and motion study art, they observed the check typing section of the accounts payable department of one of the nation's largest soap manufacturers. The work areas of this company are considered ideal by experts. In this Park Avenue glass palace, Stevenson, Jordan & Harrison found that the number of checks ruined by mistakes dropped from nine per cent to less than five and one-half per cent after work music was introduced. The test period was nine months.

Productivity is increased by work music. In another study, the Stevenson, Jordan & Harrison observers checked the productivity of workers in the mail insertion section of a huge direct mail operation. They found that productivity increased by 8.03 per cent after work music. The test period was 13 months.

The Stevenson, Jordan & Harrison observers found that work music affected turnover. They studied it in the New York reservations office of one of the nation's giant airlines. In this room scores of clerks sit answering telephones, working out accommodations schedules, answering

inquiries, handling complaints day in and day out. They are under terrific pressure to meet deadlines and flight schedules. The room is noisy from telephones ringing, people talking, and machines clattering out late flight information. The Stevenson, Jordan & Harrison researchers said then, "turnover decreased 53.3 per cent in the nine months with work music from the turnover rate of the corresponding nine months the year previously." If turnover had been at the same rate as the previous year, it would have been 60 persons greater . . . the cost of each turnover for recruiting, selection, hiring, training, low initial productivity and release is estimated to be approximately \$1,000 per turnover. The cost during the 1956-57 test period was therefore about \$60,000 lower.

Excellent results from the correct use of work music have been reported by the head of the machine accounting and billing section of a large southern power and light company. His statistics show that key punch production reached the highest point in 11 years, up 18.6 per cent, and stayed there after work music. Furthermore, his records indicate that the error rate per thousand cards punched has dropped by 37 per cent from the pre-music days. And finally, he reports that accounting and billing workers are now processing meter route books in 16 per cent less time than previously.

These are a few of the most recent

day in
terrific
flight
y from
alking,
ut late
evenson,
ers said
3.3 per
n work
of the
he year
d been
us year,
persons
urnover
g, train-
and re-
proximate-
the cost
iod was
ver.

correct
been re-
machine
on of a
ight com-
that key
the high-
18.6 per
er work
ards in
er thou-
pped by
usic days.
account-
now pro-
in 16 per
sly.
ost recent

proofs of work music's effectiveness in directly reducing waste in payroll dollars. There are hundreds of others.

The cost of background music service is quite low, incidentally. In fact, it more than pays for itself when it reduces the mistakes of a company's lowest-paid workers by merely one per cent, or cuts down time-out activities by less than one minute per hour.

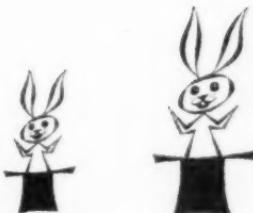
In essence, using psychological

techniques such as background music can be profitable to a company, particularly in these days of dwindling profits. If these techniques are successful in getting even one out of five workers to operate at 60 or 70 instead of their usual 50 per cent of capacity, the returns can be enormous.—*From a speech presented to the National Office Management Association, Washington, D. C. Chapter.*



"Well, gentlemen, it's bonus time again . . ."

COMPANY PROFITS and THE HAT TRICK



THE ARGUMENT SET FORTH is that corporation profits are so great, and corporations are so wealthy, that they can easily afford to take large wage increases out of earnings and not get hurt. The truth is that profits are *far* from great and there is no such thing as a wealthy corporation. As a matter of fact, profits are so *low* that industry is hard put to maintain itself in a healthy state as things are—much less being in a position to take on any additional burdens. . . .

Not only has the burden of doing business almost reached the breaking point by reason of high wages, high fringe benefits and high material costs, but taxes must be added to the load. Take a company earning only \$25,000 a year. Its federal taxes alone are 52 per cent, or \$13,000, and its state and local taxes probably amount to \$3,000 more. This leaves \$9,000 which is presumed to be net profit, over and beyond all company costs. It isn't.

It isn't, because out of the \$9,000 after taxes must come much of the cost for replacing worn-out or obsolete machinery and equipment. You see the Government says that you may only depreciate on the basis of *original cost*. And everyone . . . knows that what you bought five or 10 years ago costs an awful lot more today. And so, the difference between original and replacement cost has got to come out of profit—after taxes.

Let me show you what a tremendous drain-off of corporation profits this depreciation factor is. In 1950, the difference between the original cost and the replacement cost of new facilities, bought by U. S. industry in that one year, was reported, by the government, to total \$2,000,000,000. And, of course, replacement costs have continued to advance—and materially—since 1950. If, however, we were to assume that they had remained the same through 1956 and we deducted only \$2,000,000,000 depreciation loss, from the total reported profits of all American industry in 1956—we should have left a net of only four per cent.

Now I leave it to you to figure out how American industry can pay an annual wage increase of five per cent, out of a profit of four per cent. American industry *is* good. It has accomplished many wonderful things but it isn't good *enough* to pull that rabbit out of that hat.

From a speech presented to the Foreman's Association of Erie, Pa., by G. L. Davis, vice-president in charge, Copes-Vulcan Division, Blaw-Knox Co.



Incentives

In the United States

by Louis Ruthenburg

RUSSIA HAS USED capitalistic incentives most effectively for a quarter of a century. During the same period, the force of incentive has steadily diminished in the United States.

During that period, the people of the United States have increasingly embraced the fetish of "security"—exemplified by such things as pensions, various "fringe benefits," unemployment compensation, the closed shop and handouts from the "welfare state."

In the long run, devotion to "security" will be self-defeating. Such devotion may result in loss of freedom. Inmates of our penal institutions have state-supported security at the cost of freedom.

This nation was developed and made strong by men and women who valued freedom and opportunity. They knew they could earn rich rewards for intelligent effort and hard work. They earned their own security. Thus they preserved their independence and freedom.

Incentive for intelligent effort and hard work has diminished. We now live in a "welfare state"—a sugar-coated name for socialism. This status is not compatible with effective incentives.

History may record the irony of Russia's spectacular progress through application of capitalistic incentives, as this nation, stigmatized by the Russians for capitalistic ideology, declined because it embraced socialistic doctrine!

The teaching fraternity in the United States is paid little more than the factory workers. Is it surprising that our educational system deteriorates? Such examples could be extended endlessly.

In July, 1945, the *Saturday Evening Post* published an article entitled "Stalin Pays 'Em What They're Worth." It was written by Peter Drucker. When I suggested that article to the editors of the Post, I thought it should be written around the question: "What will happen if Russia continues the effective use of incentives while incentives in the United States are being destroyed?"

What do you think?

SURE, I EXPECT plant managers and supervisors in my company to be courteous. I expect them to be polite to each other, to employees, to customers, to visitors. But what I haven't figured out is—what kind of politeness should it be?"

The executive who asks that has probed to the heart of a problem many of us have fuzzed over for years: Consideration for others is desirable, but the *nature* of this respect is a well-hidden secret. What's more, a lot of glad-handing and back-slapping (and other efforts toward good relations on the job) may be a waste of executive time.

What we need is a realistic appraisal of just what the talk about



MANNERS FOR MODERN MANAGERS

courtesy and/or human relations for plant operating executives adds up to—with a few guides thrown in that can help you follow the course of wisdom in your own particular case.

And let's not get lost on the question of purpose: Your interest in "manners" is the same as that of a company in its public relations practices. Your inter-personal behavior is, in fact, the major ingredient of your own public relations.

On the social scene, courtesy is a grievous fault. It can lose you a

friend or make you an enemy. On the job, your failure to achieve a proper pattern of personal behavior may entail those and other losses—the goodwill of your people, a promotion, or even a job.

True, there are exceptions: for example, the ill-tempered executive who won't win a popularity contest but is good enough in his job to get acceptance on his own terms. But generally he's the queer duck who eventually ends up in the soup—whether it's the oblivion of a back-fence job or encouragement to visit the local psychiatrist.

Let's realize that the problem of behavior on the work scene is of re-

by Auren Uris
Research Institute of America

cent origin. The "company," from the sociologist's viewpoint, is a new universe. The "office" as we know it has matured largely in our own lifetime. Part of our difficulty stems from a lack of traditional rules on which to depend on the one hand, and, on the other hand, from the attempt to practice social behavior in a setting where it tends to be inappropriate.

A recent RIA study, "Your Personal Code for 9 to 5," puts the matter pretty well:

"The social graces are aimed primarily at making life more pleasant. Nothing in the social code recognizes a need to get work done, the importance of maintaining authority, of applying pressure to ourselves and to others."

But the problem of politeness is thorny for another major reason: Politeness requires judgment. Executives frequently find themselves beset by situations with almost equally unpleasant alternatives:

"... The boss's wife is an ex-girl friend of mine," reads a letter on my desk. "At a recent husband-and-wife get-together of our management group she became over-friendly. Out of respect for my boss I cold-shouldered her. I'm sure her resentment will eventually sour him on me, too, but what else could I do?"

Before you get involved with the pros and cons of that touchy but fortunately rare situation (we agree

with the executive's decision), consider these more common puzzles:

... A small but sticky point of courtesy. A visitor comes into your office. Do you or do you not introduce your secretary? Or, putting it another way, when do you and when do you not?

... Another ticklish problem. You're particularly friendly with one of your subordinates. You share common interests (anything from hi-fi to deer hunting). How do you conduct yourself so that, on the job, other subordinates have no reason to feel discriminated against? And, even tougher, how do you avoid making your friend *not feel* you're blowing both hot and cold?

Precisely because judgment is required, there can be no three easy rules—or 20 or 30—that provide an unshakable guide to your behavior. Protocol for the shop and front office is not cut-and-dried, as it is in government circles. What constitutes politeness in one situation may represent stuffed shirtism in another. What might be rudeness toward one individual would be hailed as gay comradeship by another.

There are several factors the judgments you must make hinge on:

... Rank. It would be illogical to act toward a subordinate the same way you do to your superior. This isn't a matter of snobbishness or hypocrisy, but of appropriateness.

... Age. Almost regardless of status

level, a co-worker's years call for consideration in your manner.

. . . *Sex.* Vive la difference and all that. Women don't want to be treated like men, and, of course, *vice versa*.

. . . *Personal relations.* It is likely and normal that you will be on friendlier terms with some people you work with than with others. Your friendships call for some acknowledgement that nevertheless avoids the charge of discrimination.

Personality determinant

. . . *Individual differences.* All other things being equal, the personality of the man you're dealing with may be the major determinant in your manner. One man may feel uncomfortable if treated in any but the most proper, formal conduct. His peer would bridle at anything other than relaxed camaraderie.

"Business manners in the U.S. are vastly better than they used to be," reports Robert Sheehan recently in *Fortune*. "They have been improving so much, indeed, that now they appear to be superior to the manners encountered in ordinary social intercourse—say at cocktail parties and dinners, in restaurants, parent-teacher association meetings, clubs, common carriers."

But the question that hard-headed executives are asking themselves these days is different: "Is our politeness getting to be better than it should be?"

Behind that idea is the feeling that managers may be wasting time on niceties that are neither desirable nor desired. Economist and writer Peter Drucker has talked with concern of the "soft-boiled manager." The point he makes is that in our efforts to temper the hard-boiled approach we may get into trouble by overshooting the mark.

Certainly there is no more pitiful character on the management scene than the old no-frills type of executive, confused by a forced feeding of human relations philosophy. This robs him of his natural approach and offers instead a "be nice to everyone" concept that's entirely at odds with it.

The guides we adopt, to be realistic, must tell us how to avoid both the hard-boiled and the soft-boiled gambit. The considerations below should help start you on your way:

Be as natural as a breeze—In the words of a tough-minded manager, "It's better to be your own kind of louse than somebody else's Caspar Milquetoast."

Maybe that's an overstatement. But the basic idea that advocates sincerity in relationships is sound.

A vice-president of a hand-tool company recently told us: "One of our problems at company social affairs is the 'eager beaver.' I don't care what organization it is, there is always someone who tries to butter up the boss or put on an act. Fortunately, these fellows are easily

spon
it c
ally

tion
who
thin

ple,
his
effor
wher
appar
more
by a

Th
ness
a fa
meet
pract

I
talkin
presid
of G
dent
Osbor
chair
Broth
impre
with
Above
Succes
them.

Tai
whom
or, c
son, b
he is,
treats

feeling
g time
desirable
writer
h con-
anager."
in our
led ap-
able by

pitiful
t scene
execu-
feeding
y. This
pproach
oice to
irely at

be real-
id both
t-boiled
below
ur way:
—In the
anager,
kind of
Caspar

atement.
advocates
ound.
and-tool
'One of
ocial af-
I don't
s, there
to but-
an act.
re easily

spotted, and their behavior, where it doesn't actually hurt them, is usually discounted."

O.K. But the really tough question is this: What about the manager whose natural manner leaves something to be desired?

The crabby executive, for example, is better off showing some of his sourness than making a constant effort to cover up. At times of stress, when the front might crumble, his apparent two-facedness could do more harm than could be restored by all his efforts to "look good."

The executive who avoids phoniness has the battle well in hand. It's a fact that's borne out when you meet men who are obviously the practical experts.

I recently had the privilege of talking to Austin Igleheart, retired president and member of the board of General Foods; Ben Duffy, president of Batten, Barton, Durstine and Osborne; and Bernard Gimbel, chairman of the board of Gimbel Brothers. One of the outstanding impressions you get from contact with executives like these is this: Above all else, they are themselves. Success and status haven't changed them.

Tailor your manner—No matter whom you're dealing with—superior, customer, colleague—that person, because of the type of individual he is, expects, even wants to be treated in a particular way. Try to

sense what's expected, and tailor your manner to provide it.

During a visit to an industrial instrument manufacturing plant in Pennsylvania, an associate of mine interviewed a general foreman who had been praised by the works manager for his ability to get along with his workers. He asked the general foreman, "What accounts for your outstanding reputation in dealing with your employees?"

"With one employee," the general foreman said, "it's a smack on the shoulder when I say good morning. With another, it's a very reserved greeting. It's the same when I want to get my girls on an assignment. I'll tell one girl to hustle her bustle and she'll think it's the funniest thing she's ever heard, but the girl working right next to her would burst into tears if I used that same approach with her."

Politeness a buffer?

Use politeness only as a buffer—The manager who goes around "being polite" all the time has a cream puff where his heart ought to be. Certainly, politeness has a place in business manners. But a steady diet can be sickening.

Further, politeness has a purpose, and it's this: In the conflict between the high pressure of business and the feelings of others, you must occasionally set up a buffer.

When you must interrupt, when you must be brief, when you must cancel an engagement, you protect

the feelings of the "victim" by sincere politeness:

... You apologize for interrupting.

... You can courteously explain the pressures that force you to be short.

... You express your regret for the need to change plans already made.

No rules can set up acceptable protocol for every situation in which you'll find yourself. The nature and traditions of business, the standards of the community, the personalities of the people you're dealing with, all play a part in your considerations.

Reprinted from FACTORY MANAGEMENT AND MAINTENANCE, February, 1958; copyright by McGraw-Hill Publishing Co., Inc.

CORRESPONDENCE SCHOOLS . . . ahead of colleges in enrollment?

OVER 750,000 NEW STUDENTS enrolled in private correspondence schools of the United States last year, according to a report issued by a home study agency.

The total active student body numbered over 1,000,000 at year's end. Enrollment was up four per cent over 1956. In 1957, more students enrolled in private correspondence schools than in the freshman classes of all colleges and universities in the U. S.

"Eighty per cent of home study students enroll to get ahead in their jobs or to prepare for new occupations," according to Homer Kempfer, executive director of the National Home Study Council. "The remainder enroll chiefly in academic and hobby courses."

Radio, television, and electronics were the most popular subjects. Religion, business, high school, mechanical trades, accounting, and art ranked next in order.

Craftsmen, foremen, and skilled workers outnumber all other occupational groups enrolled in home study courses. Over 20,000 employed adults enrolled in engineering, engineering technology, and architecture. Another 100,000 enrolled in air conditioning, appliance repair, drafting, and the building and mechanical trades.

Business subjects enrolled 76,000. Nearly 33,000 more enrolled in accounting. One-fourth of all newly-licensed certified public accountants each year have studied by correspondence.

EDITOR'S NOTE—For a directory of fifty-three schools meeting professional standards, write the National Home Study Council, Washington 5, D. C.

WHEN IS A MARXIST NOT A MARXIST?

.... some new light on an old blight

IF KARL MARX WERE LIVING today he would turn his back on most of those who call themselves Marxists, and if he were in Russia he probably would be shot as a traitor."

These observations come from a political scientist in a review of what has transpired in the world since Marx died 75 years ago.

Dr. Alfred G. Meyer, author of the books "Marxism" and "Leninism," published by the Harvard University Press, contends that "Marx would not be able to reconcile himself to the political tyranny in Russia today."

"On the other hand," speculates Dr. Meyer, "Marx, if he were in the Western world today, probably would be living off charity and his sympathies would lie with Russia. He would be as unsuccessful at getting an academic job today as he was in his own time."

Dr. Meyer pointed out that Marx himself said, "I am not a Marxist." He added that Marx would shun many of those who call themselves Marxists, whether they be in Russia, the West or in the underdeveloped nations.

"Marx was a man whose system of ideas defies rigid application," he said. "He would be surprised at, and probably would object to, many of the things that are being done in his name."

Dr. Meyer has his own definition of Marxism. It includes three essentials: optimism, radical criticism and a scientific attitude that man can find the truth.

"Most of those who call themselves Marxists," Dr. Meyer contends, "have lost one or more of the three essentials."

The Michigan State University political scientist terms Marx the "last of the great optimists in the history of Western social thought."

He explains that Marx thought mankind was well on its way to a solution of its major problems and that the world would follow a pattern that was already taking place.

Since Marx contended that socialism was an outgrowth of industrialism, Dr. Meyer points out, "He would be astonished at the powerful movement of socialism in many non-industrial nations today, such as China, India, Indonesia and others."

"Perhaps one of the most startling developments to Marx would be the

prosperity of the Western world and the fact that its economy is growing at all."

If Marx were surveying the world scene today, Dr. Meyer comments, "it is likely that he would deny the world is in two camps, the Communist and the anti-Communist. He would view the world basically as one, contending that the differences between nations are far less important than the things they have in common. No doubt Marx would say that the West, with industrialism, is committed to leading other nations to socialism."

Marx's influence in shaping world history "cannot be overestimated," Dr. Meyer emphasizes. "If we are to single out the one social thinker who had the greatest impact on world history in the last 150 years, we would have to choose Marx."

TV: continent to continent, soon

The United States and Europe may be swapping live television programs by 1959 with indications that global TV will be firmly established within the next decade.

Steelways Magazine says scientists are rapidly mastering the technical problems that will permit construction of 60-foot steel antennas across the Atlantic land masses that will enable TV pictures to be relayed to both continents and eventually around the world.

It asserts the scientists already have achieved success in reaching the 200-mile "plateau" in transmitting pictures and are now bending every effort to send a picture 300 miles which is necessary to leapfrog across the remote land masses that span the Atlantic.

The major breakthrough to international TV occurred when engineers discovered that signals could and did cross the horizon. Until then, the light wave, which is straight and limited to a 30 to 100-mile horizon, seemed forever to block progress. But now the engineers could multiply power by 20,000 times, adopt huge round steel antennas and go beyond the horizon.

One of the major problems that still confronts trans-Atlantic TV is maintenance of the relay stations in the remote areas after they are built. Says *Steelways*:

"The carbon steel relays will be able to withstand almost anything; the plan for establishing an airlift in and out of each location for maintenance men still requires development."

July
owing
nts, "it
st and
ending
things
ith in-
d," Dr.
no had
d have

The FRINGE FRONTIER

by Mark Metcalf

Some labor-management contracts have startling provisions . . . indicative of the wants of man working, and human nature

THE LABOR CONTRACT between a Maine paper-making company and a paper makers' union contains this phrase: "Excessive smoking shall constitute loafing on the job."

The terms of a union contract at a Wisconsin chemical plant make an employee subject to discipline if he fails to take a shower on company time. And the agreement between management and workers at a New York brewery permits free consumption of the employer's beer, in unlimited quantities, at specified times during the working day.

These are random samples of some of the special provisions that are showing up more and more frequently in labor contracts these days. They underline this fact: In today's complex industrial relations picture, there's much more to a union agreement than a mere spelling out of wages, hours and commonly-accepted fringe benefits.

Behind the legal phrases in many of today's wage-and-hour pacts, you find the human side of collective bargaining. One labor relations spe-

cialist describes it as "the taking into account of the oft-times bewildering diversity of working conditions from area to area and plant to plant. Frequently, what looks like the capricious whim of today can become the standard feature in most contracts in years to come."

Doubtless, workers in a good many industries would like to gain the sort of benefit a New York City bakery provides for its employees. They can take home two dozen free bagels at the end of every working day. At the moment, no union representative is on record with a forecast that this sort of provision will ever prevail in auto plants, television plants, or establishments making jewelled wrist watches or diamond rings. Still, many a trail-blazing contract provision of a few years back has now become almost standard procedure in many industries.

Consider the coffee break, for example. A few years ago, only a handful of labor agreements contained any reference to workers' coffee-drinking habits. Now, a sur-

vey by one state manufacturer's association shows that among 600 business concerns, nine out of 10 allow their employees time out for coffee breaks. The average respite is two 15-minute breaks a day. That adds up to 16 full days a year in time off during regular working hours.

A study by the U. S. Department of Labor indicates that at least 25 per cent of all current union agreements have coffee break clauses. Many other contracts provide for employee "rest periods" which may be used for coffee drinking.

Time out for cake

The granting of one's personal birthday as a paid holiday is showing up in an increasing number of agreements. A paint-maker's union local on Staten Island has gone a step further. Under one of its contracts, not only does the employee get a day off on his birthday, but he also gets from his employer a crisp five-dollar bill. A firm in Newark, N.J. has agreed that when a worker's birthday falls on a regular legal holiday, he can have an extra day off, with pay, on the corresponding day of the following week.

The designation by the United Mine Workers' union some years ago of John L. Lewis's birthday as a miners' holiday, set the stage for a sprinkling of novel holiday provisions in contracts in other fields. Some companies have designated a certain number of "floating" holidays throughout the year. Others incor-

porate Founder's Day as a paid holiday. A paper plant in Pasadena, Texas, agreed with the Houston Paper & Pulp Mill Workers union that, to the extent possible without impairment of operations, colored employees would be released from duty without pay on June 19, Emancipation Day.

In several New York state companies, the employee's wedding anniversary is recognized as a sufficiently joyous occasion to warrant the day off, with pay. One New York firm provides an extra day's pay on the anniversary of each worker's employment with the company. A Wisconsin paper company's contract specifies time off for workers who want to go deer hunting.

A growing number of other types of holidays are coming to be recognized in labor-management agreements across the country. Included are religious holidays for Catholics, Protestants and Jews. The International Association of Machinists has negotiated a day off each quarter for personal business, in a number of pacts. Franklin D. Roosevelt's birthday has been added to the list of popular presidential birthdays observed as contractual holidays.

Suppose you came across a contract clause regarding "work to be performed behind locked doors." Wouldn't it suggest an element of cloak-and-dagger intrigue? Such a provision actually did show up in a Chicago agreement, but it's not quite as mysterious as it sounds. The con-

tract
two
mea
that
over
from
6 p-
form
reas
men
tasks
ploye

The
ger
for
ford
state
vides
certain
other
Alask
mach
for w
work
alone
spots
of oth

Sign

The
condit
sions i
other

One
Louisian
that th
suits o
employ
out at
placed
turned

tract in question was negotiated between a meat-market chain and a meat-cutters' union local. It specified that union members might perform overtime work, at premium pay, from 8:30 a.m. to 9 a.m., and after 6 p.m., provided such work was performed "behind locked doors." The reason, of course, was to keep the men from being interrupted in their tasks by customers or other store employees.

The plight of the worker who may get lonely on the job is provided for in some agreements. At the Hanford atomic energy project in the state of Washington, a contract provides "isolation pay" for workers in certain restricted areas away from others. A contract between the Alaska salmon industry and certain machinists' locals specifies that except for watchmen or night firemen, "no worker shall be permitted to work alone in the cannery or other isolated spots beyond the call or observation of other persons."

Sign up for suits

The range of benefits and working conditions covered by special provisions is far-reaching. Here are some other examples:

One history-making contract at a Louisiana chemical plant specified that the company would give four suits of clothing free to each new employee. Clothing damaged or worn out at the plant also would be replaced free if old garments were turned in.

An unusual provision in a Seattle meat-cutters' contract makes certain a worker is in good physical shape if he has to be fired. The agreement says no worker shall be dismissed "during or immediately following an illness or accident."

A Michigan machinery maker's contract agrees that no worker is to get preferential treatment "by reason of his relationship to his immediate supervisor," and prevailing contracts in several other concerns provide that no worker shall be under the supervision of a relative.

A Chicago firm's contract assures workers of a "loyalty" increase in pay; it specifies a premium of three cents an hour will be added to the regular hourly rate of workers for each full five years of service.

All these provisions are more than a cataloging of the unusual clauses in today's labor-management contracts. They are the embodiment of the democratic process at work in collective bargaining—a recognition that local conditions and customs sometimes are as important to the individual worker as a few more cents in his pay envelope.

Individual plants, even within great nationwide corporations, often have special problems that can be solved only by special contract provisions. Once the fringe frontier has been penetrated, a path has been blazed for the negotiation and settlement of similar problems that may crop up elsewhere.

IMPROVING Foreman Relations in small plants

Surveys have indicated that the foreman's role is in much need of improvement — but where should the improvement start? With top management? With the foreman himself? With the selection of foreman material? Here is a solid discussion of an old problem newly recognized by industry.



IN MANY SMALL PLANTS today, the foreman feels like a forgotten man. He sees himself as responsible to executives but not included on the management team; in charge of production workers, yet not fully accepted by the employee group. As one foreman put it: "You're really everybody's whipping boy."

Researchers in business management have found evidence that foremen are often unhappy in their current role. Surveys indicate that during the last five years fewer and fewer regard themselves as a part of management or feel that the management-foreman relationship is as good as it used to be. Most serious of all, perhaps, is the fact that the younger, newer foremen often seem to have the poorest relations with executives.

The chief reason is probably that the majority of new foremen are poorly prepared for the work they have to do, having had little or no orientation and training. Yet preparation is essential. In the typical

small plant, a foreman needs to be one-quarter production specialist, one-quarter liaison officer, one-quarter personnel man, and one-quarter teacher. While almost nobody is equally skilled in all these areas, many a foreman has had to take on all four as best he could when he was shifted from production line to foreman's desk.

The conclusion of a number of observers is that foreman relations can stand a good deal of improving. The questions that management men then face are: Where do you start and what do you do? While they may not tell the whole story, the following points are of major significance in building effective foreman relations: (1) The boss' attitude towards foremen, (2) the choice of candidates for foremanship, (3) the training given, (4) the opportunities for job satisfaction, and (5) the rewards for work well done.

The order of importance to foremen of these points varies with the individual. But from the manager's point of view it is logical to try for improvements in that order.

Start with the boss' attitude

In a small company, the attitude of the top man toward foremen is at the heart of the matter. It can make the foreman feel as though he were either an errand boy, or a policeman, or a leader. If, for example, the boss wants foremen to participate in management decisions, their role will be quite different from what it

will be if the chief executive runs things with an iron hand by himself.

The foreman who is regarded as an errand boy is expected to follow instructions without question or suggestion. Having little authority, independence, or prestige he often resents management and ducks responsibility whenever he can.

The foreman who is regarded as a policeman is used by management mainly to see that rules are obeyed and orders carried out. Duress is the operating principle, and from it grows a relationship in which communication is in one direction only—down.

The foreman who is regarded as a leader is in a very different situation from the other two. Naturally, he must see that company policy is followed and that work gets done. But, in addition, he is expected to be the representative of management in the actual production process. The boss treats him as a member of the executive group with recognized responsibilities for human relations, training, and liaison work in addition to getting out production. His ideas are listened to and his opinions respected in the "front office."

Once top management recognizes the need to improve foreman relations, and foremen are accepted as working *with* executives rather than *for* them, the next problems are selection and training—in that order. It does no good to educate and groom a man for foremanship if he is emotionally or intellectually the wrong

type for the work. As a result, it is important to sift with care the candidates for future foreman jobs.

You should also ask your experienced foreman to watch for potential supervisors. When likely prospects are spotted, they can be asked to drop into the front office. Here you can tell them that they look like foreman material and ask them whether they would be interested in having further interviews and tests. If the answer is yes, you can have them move on to the other phases of the selection process.

Provide sensible training

Once you have prospects picked out, some kind of practical, special training should come next. Four approaches, currently in use, give an idea of how the training job can vary: (1) informal work rotation, (2) orientation plus fill-in assignments, (3) on-the-job training plus lectures and homework, and (4) full-scale, in-plant instruction.

Informal Work Rotation—This method often has great appeal for small concerns because of its simplicity and adaptability. In it the potential foreman is shifted about among the main plant activities without any rigid schedule. He sees other foremen in action, gets known around the shop, and builds up a perspective on the operation as a whole.

Orientation Plus Fill-in Assignments—This method gives the prospective supervisor a broad background in what foremanship involves

—before the actual responsibility is assumed. He is put into a somewhat special status in which he draws a salary, gets briefings from executives, observes various production activities, and fills in temporary vacancies caused by vacations, illness, and the like. After a certain amount of this indoctrination and practice, a man steps into a permanent foreman job when it opens up.

On-the-job Training Plus Lectures and Homework—This method carries over from the pre-foreman stage to the post-foreman stage. When a man is still a production worker he is given a period of classroom study on company time, together with homework to be prepared on his own time. Later, when he takes over as a foreman, he gets some additional, advanced, on-the-job training to improve his skill and confidence in the particular job.

Full-scale In-plant Instruction—This method puts a candidate into virtually full-time classes, briefings, and discussion groups. Short job assignments are given to provide practice in recognizing the situations and applying the techniques taken up during the instruction. Because of its requirements for space, time, and manpower this approach can be impractical for very small organizations.

Actually, of course, you don't have to stick to any one system exclusively. The objective is to give the new foreman some perspective and skill, plus

ability is
some-
draws
execu-
duction
ary va-
illness,
amount
ctice, a
foreman

Lectures
od car-
an stage
When a
rker he
m study
er with
his own
over as
ditional,
g to im-
e in the

uction—
late into
briefings,
hort job
provide
situations
es taken
Because
ce, time,
h can be
organiza-

don't have
clusively.
new fore-
skill, plus

an opportunity to try his hand at directing the efforts of others. If a combination of the above methods looks good for your plant, by all means try it out. Many concerns, for instance, spread their training over a considerable period of months. In this way, a man spends most of his time on his regular job, but periodically gets a chance to visit other activities, hear briefings, attend classes, and take over other jobs on a temporary basis.

Build job satisfaction

For a man who is already a foreman, the main ingredient in good foreman relations is the opportunity for satisfaction in the job itself. There are several things management can do.

Give Him Information—Tell the foreman just what he is responsible for and how far his authority goes. Remember, too, that being the link between those who plan, coordinate, and control and those who actually do the work, the foreman is particularly conscious of the "whys." His job satisfaction is increased materially if you outline the reasoning behind a given decision or order.

Listen to Him—Similarly, a foreman will have reactions to situations which he will want to express. The more the boss can listen with an open mind to what the foreman has to say, the more the foreman will tend to identify himself with management, and the better the relationships. Moreover, many a foreman

has practical ideas which are worth collecting and studying carefully.

Include Him in Management Meetings—Another threat to good foreman relations is a foreman's feeling that "front-office executives" have no clear concept of his problems and no intention of consulting him before setting policy. To offset this feeling, many managers hold staff meetings of key people concerned with production, including foremen. This does not mean that "direction of the company is surrendered." It does mean that, like other members of the management team, the foreman is called upon to participate in solving problems which affect him and the people he supervises.

Help Him Expand His Horizons—It is worth while to provide opportunities for the supervisor to expand his mental horizons and get a change of pace. This can be done in many different ways, among them: memberships in appropriate organizations, visits to other plants, subscriptions to suitable publications, participation in charity drives, leisure-time use of certain company facilities, and so on. Obviously, some foremen will take to this sort of thing more than others. Therefore, while such opportunities should be offered, they should not be forced. Don't create the impression that acceptance in the company depends upon enthusiastic participation in all extra-curricular activities.

Back Him Up—Any good foreman wants to take initiative and make de-

cisions. Any good manager wants his foreman to do so within his appropriate sphere of action. Management support is essential in promoting such acceptance of responsibility. Actions taken by the foreman must be backed up by top executives—if possible, even when mistakes are made. If errors do occur, some way must be sought for the foreman to save face. Few things ruin foreman relations quicker than the boss' "running out" and leaving a supervisor without endorsement for what he has done. Also, the boss must take full responsibility for his own actions and never blame a foreman for executive errors. By the same token, credit for sound decisions and ideas should go to any foreman involved, not be grabbed by somebody higher up.

Show your appreciation

Appreciation for the contribution made is important to nearly everyone, including a foreman. At this point some managers will ask, "Does that mean that I've got to 'soft-soap' these guys every five minutes? I don't ask them to work for nothing; the pay's my thanks."

The answer is that soft-soap is worse than useless. And pay, in and of itself, is *not* enough. For the best foreman relations, supervisors must feel that they belong with the executive group. It is all but impossible to do this without some genuine indication that executives recognize and value the role the foreman plays. What is said or done has got to ring

true; fake sentiments are soon detected and serve only to breed mistrust.

Moreover, the personal touch is important. Appreciation coming directly from the top man, in person, means vastly more than hearing from someone else that "the old man asked me to tell you he thinks you're doing a good job." It is important for top executives to go to the foreman's workplace as often as they can—to see, and to be seen on cordial terms with the foreman.

Offer promotion opportunities

Another aspect of foreman relations is offering a chance for advancement. Foremen should be told that they will be considered for higher executive jobs unless they request otherwise. There are exceptions, of course, but most foremen will feel more a part of management if they can see the supervisor's job as a definite rung on the executive ladder. This means "promotion from within" in fact, not just in theory. People must actually be allowed to rise from work force to supervisor to upper administrative rank.

To be sure, promotion opportunities can be a real problem in a small company. There may not be many foreman jobs in the first place, and still fewer executive positions in the second. Promotions can't be made very often. Also, the very top posts may be filled by owners of the business. In such a situation, however,

efforts to find ways of promoting a capable foreman should still be made before an outside man is brought in.

Pay them fairly

Any sensible manager knows that among average foremen prestige, authority, and the satisfaction of doing a good job are more sought after than salary. But money still talks loudly as a sign of success and status. Consequently, fair pay is always important in improving foreman relations.

By and large, there is no widespread fear of unemployment today. Similarly, there seems to be relatively little reluctance to shifting residence to a different locality. The result is that the typical foreman feels free to judge critically the financial and non-financial aspects of his job, and to move on if the combination doesn't seem right. To see the other fellow making substantially more for the same kind of work usually seems wrong.

"Fair pay," of course, is a relative term. What is fair in one case will not necessarily be so in another. As a rule-of-thumb it has been said that job satisfactions compensate to some degree for lower-than-average pay and vice versa. But it is also often found that it takes a large assortment of non-monetary rewards to make up for a small deficiency in pay.

Some small companies have experimented successfully with bonus and

profit-sharing techniques to tie the foreman's earnings, at least in part, directly to the success of his company. Another approach, available to incorporated concerns, is the use of stock-purchase plans. The pitfalls and opportunities of these devices have to be sized up in each individual case. However, in the face of stiffening competition, small plant managers are becoming increasingly conscious of the need to pay foremen at least the average salary being offered in the labor market in which they compete, and to provide all possible non-monetary rewards, as well. In the words of one manager: "What supervisors do with the plans and policies of executives can make or break the efficiency of a company. A good foreman lost is a real competitive blow. We think a foreman should earn about 25 per cent more than the highest-paid employee he supervises."

Being small can give a firm a potential advantage over larger competitors in improving foreman relations. With fewer individuals involved and more frequent face-to-face contact, the personal element can receive greater attention. Some owners and managers have made the most of these opportunities. They have built their foremen into the management team. Others can do the same.

Foreman relations deserves to be taken seriously and worked at constantly.



Chrysler Management Club

Detroit, Michigan

Management Team of the Month

IT BEGAN AS the "World's Greatest Dance" in conjunction with the Spring Frolic of 1947, and for 11 consecutive years it has remained just that—true to its billing. During the Spring of 1958, more than 2000 members of the Chrysler Management Club will once again actively participate in staging and promoting another gala affair. The dance is conducted to raise money to improve club programs.

As the members embark on their ticket-selling endeavors, one can expect to meet them almost anywhere. Their main purpose is to sell tickets to the "World's Greatest Dance," but that is just part of it. They are also selling their club as they talk about its objectives, activities and the fact that it is part of the NMA, the world's largest management association.

The dance is in reality a gigantic production, and each year the final scene has been relatively the same. The Michigan State Fair Grounds resound with music provided by top name bands; well-known featured entertainers make appearances to de-

light the huge crowds. Everything moves with clock-like regularity as the evening culminates with the drawings for door prizes. There is no evidence of what has taken place behind the scenes to bring about a successful conclusion to another large production; no indication except for sighs of relief by a score of committee members who realize that their efforts have brought forth the desired results.

Several months prior to the Spring Frolic, the wheels go into motion. A committee is appointed to make a study and recommendations regarding not only the advisability of undertaking the dance promotion, but to also provide concrete proposals relative to budget allotment for the dance. Following approval by the Board of Control, a committee is then assigned the task of arriving at a definite date, contracting accordingly with the Michigan State Fair Grounds, contacting agencies for available dance bands and entertainment talent and pursuing it to its completion, including contracts

A committee makes application for license to solicit funds, checks with the Police Department for clearance and gets a license from the Society of Composers, Authors and Publishers, and a clearance from Michigan Department of Revenue for state income tax on out-of-state orchestras and entertainers.

The prize committee determines selection and number of door prizes, additional prizes for the ticket sellers, makes the actual purchases and outlines appropriate prize descriptions for advertising purposes.

The ticket committee authorizes the printing of tickets; makes allocation, distribution, and financial accounting and a complete audit and financial report of the final returns and results....

A number of service committees are assigned the responsibilities of: engaging and coordinating services for installation of sound equipment, telephone lines, microphones and spotlights; erecting scaffolding for bandstands; notifying the fire department for inspection; getting porter service, first aid attendants, food concessions, and a checking service; rental and delivery of pianos; employing outside ticket sellers, doormen, and a house electrician to operate lighting systems; waxing dance floors; contacting the police for required protection; acquiring barrels for stubs, and then placing them in their proper locations and picking them up at designated times for transfer of ticket stubs into prize

drums; decorating buildings, bandstands, and main box seat areas, and getting carpeting for the "breeze-way."

Still further committee assignments are needed to provide: signs for various forms of advertising display, including installation of the billboard types, and for dressing rooms, entrances, exits, restrooms, first aid, times of drawing, and windshield signs for parking committeemen; selection of couples for prize stub drawings; presentation of corsages to the girls making the drawings and formulation of rules governing prize awards and provisions for delivery of prizes.

As the next Spring Frolic dance approaches, it is easy to see that it is not a one-man show, it is a management team at work. Despite the planning and work of many committees, success of the dance is dependent on the greatest promotion of all—performance by all members on a personal sales basis. The original production was staged to fulfill an objective which has remained the same to this day. The members want worthwhile club programs which they know that membership dues alone will not provide. That objective continues to serve as a stimulus for a major undertaking—not to merely hold a dance, but to ensure that it will once again be the "World's Greatest Dance."

*Fred Larson, President,
Chrysler Management Club,
Detroit, Mich.*

ACT ON FACT

by James Black

Recently in the daily newspaper of an eastern university there appeared a letter from a legal-minded gentleman who urged that some sort of procedure be established to protect the rights of students who were threatened with expulsion.

"There should be," he wrote, "formal machinery established by which the accused could challenge the college authorities to prove their case against him. The accused should be permitted to cross-examine witnesses. Otherwise he might be arbitrarily dismissed from school by a capricious faculty, and the ensuing disgrace would totally ruin his future and cause him to go through life a shunned and despairing pariah."

This concept, admittedly, came as a surprise to one who had been brought up under the notion that a private college had the right to make its own rules about the standards of conduct which its students should meet, and that, further, it was privileged to toss anyone out on his ear whom it didn't believe was shooting the course in par.

Of course, this old-fashioned theory vests in the college what amounts to absolute power, and it may be true that occasionally some

unhappy victim of circumstance takes a bad bounce on pretty flimsy evidence. Still, such instances are rare. If every professor who tags Sophomore Cribbing taking a fast fix on an associate's exam paper has to prove it in open court and be cross-examined on the witness stand, professorial morale would suffer a long and rolling readjustment sidewise. It would also be pointless to observe to some of the latter day protectors of human rights that if a young man accused of cheating demanded a public hearing of his case he might suffer the slings and arrows of outrageous fortune more severely by airing it to all the world even if he won his point, than would be true had he simply packed up and gone home as was formerly the practice. People, being what they are, would probably think the guy was guilty all right, but his college simply couldn't prove it. All this means that there are some problems that can't be solved by a

legal approach, no matter how well intended.

This is by no means intended to suggest that there should be any similarity between discipline as it is presently imposed in a college and as it is administered in an industrial plant. But it is an observation that "getting your rights protected" is big business today, sometimes even before anybody has done them any damage.

"I've got my rights"

Take the case of William Copeland (name fictional), an employee in a plastic company, and his foreman, whom we'll call John Griggs. One April morning back in 1957 Griggs approached the employee and said, "I have a few things to discuss with you. Would you please go to my office? I'll send a man down to relieve you."

Copeland went to his boss's office, but refused the proffered seat.

"I'll stand," he said shortly, "and if you want to talk to me about what you talked to those other fellows, I won't say a word until there's a shop steward present."

"You had better go back to your job, then," replied Griggs.

Sometime later Foreman Griggs again took the matter up with Copeland.

"You are making a serious mistake in your attitude. I'd still like to talk to you."

"No steward, no talk," was the retort.

"Think it over, Copeland. I'll be back in 10 minutes. I hope you will have changed your mind by then."

But at the end of 10 minutes William Copeland was as firm as a policeman's footsteps in his refusal to say a word without his steward's presence.

"I'm sorry," said Griggs, "but I have no alternative but to clock you out. Call the plant tomorrow and I'll give you management's decision in your case."

Copeland went home. The next day he called his foreman and was told to report to his office. This he did.

"As you very well knew," said Griggs, "I wanted to talk to you about some plant rules. I am doing this with all employees. The rules involve the work schedule, visiting other employees during working hours, procedure to be followed in relieving another employee, and smoking."

Griggs proceeded to explain the regulations. After the interview was completed Copeland returned to his job. He had lost his pay for a day and a half.

Immediately he filed a grievance. Eventually it came before an arbitrator. The question the latter had to decide was this: Did the contract deny to the company the right to have its foremen talk to employees during working hours under the circumstances as they have been explained?

The agreement provided that all

formal grievances had to be presented in writing. It stipulated that the employee was entitled to union representation. It further said that, "in special or emergency situations of such a nature as to require an immediate decision, the formalities of the grievance procedure should be suspended and that the case should be given on-the-spot attention."

The union's case

It was on this point that the union based its case. It argued that Copeland was entitled to be represented by a steward if the foreman wanted to talk to him about "working conditions"; that when the foreman refused to permit the union representative to attend the interview he created an emergency grievance which merited prompt consideration. Copeland had lost pay and his rights had been violated. He should be reimbursed for his monetary loss, said the union, and his record should be cleared of the disciplinary offense.

Management countered that its foreman had the right to discuss plant rules with employees, particularly if the talk, as in the case of Copeland, was by way of an explanation, and that no action punitive or otherwise was intended against him. It said that if the employee believed his rights were being infringed upon he should have obeyed his foreman's instructions and filed a grievance later. It added that no emergency was created because Copeland had three opportunities to do as his fore-

man requested; that, in point of fact, he had not filed a written grievance until after his return to work, and that the contract stated that formal grievances should be in writing.

After the arbitrator had heard the testimony he said, "Everyone should realize that management must run its plant and give orders to employees which it expects to be obeyed. This is especially true when there is a grievance procedure and an arbitrator to settle disputes between the union and the company. Normally, the sensible course for an employee to take is to obey orders and afterward file a grievance if he believes he has been put upon."

Obey now, grieve later

What the arbitrator was actually saying gave solid endorsement to that basic rule governing employee actions in a dispute with a foreman, "Obey now, grieve later." For the arbitrator went on to remark, "The employee should follow the steps in the grievance procedure. If he is discharged or given a disciplinary lay-off, the steps he should take are clearly defined, just as they are if he believes he has been denied paid holiday-rights or a paid vacation. What does he do? He sees his steward and initiates a grievance.

"If an employee is asked to do work he thinks is outside of his job category he should do it. After the occurrence he is in a position to file a grievance. Of course, it is true he may submit one if, for example,

of fact,
grievance
work, and
formal
ing.

ward the
should
run its
employees
d. This
re is a
arbitra-
een the
ormally,
mployee
d after-
believes

actually
t to that
ee ac-
oreman,
For the
k, "The
steps in
ne is dis-
ary lay-
ake are
are if he
ed paid
vacation.
sees his
ance.

d to do
of his
t. After
sition to
it is true
example,

his foreman insists upon and succeeds in discussing with him a change in speed of a machine he is operating without the requested presence of his steward. But it is hard to believe that any arbitrator would take such a grievance seriously in view of the manner in which most shops are run."

The arbitrator continued, "This contract says that a grievance must be put in writing in order to be processed to the first step of the procedure. After the grievance is formally prepared, the employee is entitled to have his shop steward present when he discusses it. However, the contract does not say that the employee can refuse to obey a routine order, thus creating a grievance on the spot, and then demand that the union representative be called before he complies with the order. Until he has obeyed his foreman's demands he does not have a grievance."

"To my way of thinking, Copeland in this case is putting the cart before the horse. This contract contemplates that the employee will carry out management's directions and, if dissatisfied with those directions, will submit a written grievance, at which point he may be represented by his union steward in the ensuing discussions. Employee Copeland refused to do this."

"Now about the urgency of Copeland's grievance," remarked the arbitrator. "I have considered that point. The contract indicates that

where an employee's interest will be irreparably damaged unless he is given on-the-spot relief, the normal procedure will be suspended and the complaint will receive immediate attention.

Critical situation—why?

"What conditions would bring about so critical a situation? Suppose an employee were asked to work overtime when he was planning on getting married right after his shift ended? Suppose he were asked to perform work, safe for most people, but which would expose him to a serious harm because of an allergy to which he is susceptible? In cases of this kind no back pay adjustment or other remedy short of turning the clock back could repair the threatened invasion of the employee's interests. To protect his rights in such a rare instance, the contract permits special treatment of his complaint. But this is the only time that the union and the company admit the existence of a grievance before it has been reduced to writing.

"Now we must ask these questions. Did Foreman Grigg's order that Employee Copeland report to his office raise the sort of emergency situation that was contemplated by the contract? Did the immediate and oral reaction of the employee to the order of the supervisor amount to the registering of a grievance, subject to immediate processing with the aid of the employee's steward,

before anything else—even compliance with the order—is done?

"The answer is 'no.' In the absence of a grave emergency, Copeland had no right to insist on the suspension of shop routine until he could write up a grievance. Actually, he never attempted to write one out. What he really wanted was a colloquy between himself and Mr. Griggs with the shop steward present. Under certain circumstances, according to the contract, this might be appropriate. But Copeland chose the wrong issue. Foreman Griggs could have said nothing to the employee during the interview that could not have been afterward righted by the grievance procedure. This would have been true even if the supervisor had disciplined the man, which he did not do. For if Copeland or his union could have shown that Grigg's treatment of the employee violated the contract, the proper adjustment could have been secured through the grievance procedure, which would have compensated the employee retroactively for his unpleasant experience. On the record, therefore, my decision is in favor of the company. My answer to the question constituting the stipulated issue is 'No!'"

Foreman Griggs handled himself well in an irritating situation. Obviously he had run smack-dab into a shop lawyer, the kind of man who is a student of the contract and is always looking for a technicality over which to make an issue. If a foreman can't give orders to an em-

ployee, if he is not allowed to discuss plant rules with him unless the union committeeman makes it a party of three, management has pretty well lost the right to manage.

The supervisor in this case evidently knew the contract and his rights under it as well as did the employee. He also recognized the principle involved in the dispute. Had he permitted the employee to have his way he would have established a dangerous precedent. In the future any order that he gave could be challenged on the same ground, and it would require the two-way agreement of the employee and his union before it was carried out. This could create chaos and a breakdown of all plant discipline.

The heart of the matter

The arbitrator's decision cut through to the heart of the matter. He did not allow himself to be confused by the extraneous or side-tracked by side issues. Obviously, Foreman Griggs had the right to discuss the application of plant rules with an employee. Obviously, if the employee did not like the way Griggs planned to enforce rules, the time to grieve about it would be after the fact, unless the supervisor's intended action was of so serious a nature that it constituted what the late Justice Oliver Wendell Holmes called "a clear and present danger" to his interests.

Today a supervisor has a ticklish job. His authority is constantly be-

discuss
the union
party of
y well

se evi-
nd his
lid the
ed the
dispute.
Employee to
estab-
In the
e could
ground,
two-way
and his
ed out.
break-

ing challenged on points that super-
ficially appear almost absurd. But
the implications of the challenge may
be very serious indeed to the con-
tinuation of supervisory authority.
That's why it is so important for the
foreman to have a firm grasp of the
principles of effective management
and to see that those principles con-

trol in the administration of the con-
tract. If he does this, employees will
receive justice, they will be fairly
treated. If he doesn't, management
may be accountable for unhappy
situations under an authority it is
presumed to have, but which in fact
it has long since ceased to exert
effectively.

This case is based on one described in the LABOR RELATIONS REPORTER. It has been slightly altered so that it could be discussed from the point of view of the foreman.



"And someday you'll be foreman . . . there'll be decisions . . .
men to lead . . . oh, skip it . . ."

BUSINESS NOTEBOOK

by WILLIAM M. FREEMAN



WHY DIDN'T HE GET THE JOB? Because he smiled. The story was told by the head man of a well-known executive recruiting organization. The candidate for the important post was being interviewed by two men who were to be his superiors. After the discussion of the candidate's qualifications was ended and he had been dismissed with a "Don't-call-us-we'll-call-you," one of the interviewers remarked, "But did you notice he smiled a little too much?"

"Why no," returned the other, "I was busy considering his qualifications for the job."

"Let's get him back and do the interview over, and you'll see for yourself whether he smiles too much."

"I don't know," came the demurser. "How can you tell how much is too much?"

Are there—

Plenty of executives

—or aren't there? There's no shortage of job-hunters, and there's no shortage of top executives looking for high-level workers who can be trusted with important jobs.

True, there are some executives who are looking for 22-year-old decorative blondes who have 20 years of secretarial experience and are willing to work for \$50 a week without asking for a pay increase, but

there are not many optimists who hope to find such a paragon.

There are many who want a bargain in management candidates who combine youth, long experience and willingness to travel and work for long hours and low pay. There are also would-be executives whose abilities go no further than a fondness for the three-hour lunch and the six-foot desk with buttons to press.

There is no formula for finding—

Talent

—and putting it to work. It is as difficult for the personnel manager to spot it as it is for the applicant to make a fair judgment of what he has to offer. The evidence is all around us in the form of square pegs in round holes, or the other way around.

Talent is by no means a quality that belongs solely to the profession-

al, even in the field of entertainment. The man who runs a radio station has a secondary ability that could earn him a first-rate living as a concert pianist. The advertising agency executive does as well writing books.

Amateur shows uncover a good deal of talent. The show put on by the local drama society gives everyone a lot of fun even when the material used is a familiar Broadway play of the "actor-proof" variety. Consider the *original* amateur show in which—

A lot of work

—is done by persons in other fields who know little or nothing, so far as their friends and associates have learned, of the techniques of the stage.

In such a show, put on a few weeks ago by the Women's Advertising Club of Cleveland, there was a fast two hours and more of scintillating wit and satire that had observers, there from Broadway for the purpose, choked up with laughter—and also amazement that the show business professionals were being put in the shade by "amateurs."

The group put on a "play with music" entitled "Little Orphan Advertising," or "That's How the Mop-pet Flops." These lines are quoted to indicate the content:

*Leave the range, Orphan Addie, leave the range.
Give us something else but westerns
for a change.*

*We've gone deaf from all that shooting
And our kiddies' rooting-tooting,
For a change, Orphan Addie, leave the range.*

Quite aside from the wit in the satirical writing, there is a good deal of talent involved in such a show that does not appear consistently in the work of the professionals.

If you don't believe that, have you been listening to the—

So-called music

—that pours out of the radio loud-speaker by the hour, day after day? Mitch Miller, the bearded impresario of Columbia Records, told a convention of disk jockeys—the persons responsible for selecting that music—that they had made themselves monarchs of the airwaves and then had abdicated in favor of the eight-to-14-year-olds, described by Mitch as making up 12 per cent of the country's population and 0 per cent of the buying power, aside from buying ponytail ribbons, popsicles and peanut brittle.

He commented that the standard answer of the disk jockeys was, "We're not here to educate. We're here to give them what they want." Then he went on:

"What *who* wants? Certainly not the 75 per cent of the nation over 14 years old! If they did, they wouldn't be buying hi-fi record players in unprecedented numbers, setting them up in the living room, shutting off radio and creating their

own home-made programming departments."

It's true that—

Music has changed

—but the people certainly are pretty much the same. David Johnson, one of the new breed of modern composers, is experimenting with what he calls "computer music." This is an accurate description. Telling about it the other day, he said the electronic computer actually does the composing. R.C.A. feeds melodies and arrangements into the machine and out comes whatever is desired—trick rhythms, contrapuntal melodies of a type not even dreamed of by Bach, and a host of other "new sounds," as the jockeys call them.

Then the young composer, asked whether such music was "pretty," replied:

"No. There's a phony, flat quality. I heard a harpsichord done by a computer, and it sounded like an imitation, more like a leather-hammered piano. Electronic. It sounded electronic. It's impossible to describe in words. It was just wrong. It was wrong."

That sort of speaks for itself. Some of the more *musical* music the country has heard in recent years has been produced almost by accident. When Debbie Reynolds was signed for the film, "Tammy and the Bachelor," the script called for her to sing an old folk song, "Black is the Color of My True Love's Hair." Then Leslie Nielson was borrowed to be

the leading man and, because his hair was blond, the folk song was abandoned. Ray Evans, the distinguished composer of "Oh Captain!" was commissioned with Jay Livingston to write a substitute. "Tammy," which has been heaped with honors, was the result. It is—

Not rock 'n' roll

—by any means. "Tammy" is a popular favorite, rather than the choice solely of the pre-teen ducktail and pony-tail set.

The rock 'n' roll type of music seems to have caused nothing but trouble for the places in which it is heard. Alan Freed, New York disk jockey who is one of the high priests of the musical form, was indicted by a grand jury in Boston on charges of inciting the unlawful destruction of property during a riot that began at one of his performances. Robbery and assault followed his show.

These developments in the world of music indicate that talent is a difficult quality to assess. If music cannot be neatly labeled, and amateurs often do better than professionals in the writing and performing of entertainment, how is the personnel manager or the big boss himself going to be able to select the executives of the future?

Perhaps the best way, after all, is to hire the one with the pleasant smile who doesn't use it too much, or the son of an influential customer. That method seems to produce top-level workers as often as any other.

July

s hair
aband-
ished
com-
on to
which
, was

' is a
the
cktail

music
g but
h it is
ck disk
priests
ited by
rages of
ion of
gan at
obbery
w.

world
t is a
music
d ama-
profes-
perform-
is the
big boss
o select

r all, is
leasant
uch, or
ustomer.
ce top-
y other.

How WOULD YOU HAVE SOLVED THIS?



by Lloyd P. Brenberger

NOTE: To be considered for \$10 cash awards and certificates of special citation, all solutions to the problem must be post-marked no later than August 10, 1958. Address your solutions of no longer than 500 words to Editor, MANAGE, 321 West First Street, Dayton 2, Ohio.

PROBLEM No. 29

TWO IS A CROWD

Foreman Art has a problem, and he is appealing to you for help in its solution. Art recently had a job vacancy and, in attempting to fill it, his trouble started. The job was duly posted, and during the period of bidding he received two bids—both from qualified applicants. The problem is this: one of the applicants is being "backed" by a union committeeman and the other by a union officer. In other words, he has two of the union's top representatives opposing each other. Since both men are equally qualified as to ability and seniority, Art feels that he has no "out." Art also feels that it is his duty to maintain harmony between the management and the union, and to his way of thinking this would include maintaining harmony within the bargaining unit, if necessary.

(Remember the deadline: August 10, 1958)

THIS WAS SUPERVISORY

PROBLEM NO. 26

During the recent decline in business, it was necessary for the Ugat Company to reduce their hourly-rated payroll by some 10 per cent. The company's contract with the I. U. E. contains a clause providing for severance pay in the event an employee is separated from the employ of the company for any reason. However, one of the eligibility requirements is that an individual must have worked some part of at least 25 weeks since July 1st of the last year. Three of the men affected missed qualifying under this provision, but by only two weeks. Herman, their foreman, told each man that he would see to it that they would receive their separation pay, because he understood it might be a tight squeeze before they found employment elsewhere. Herman literally "flipped" when he learned that industrial relations had denied their applications. "Boy! you can't get anyone to back up a decision around here," Herman said, as he told his boss about the situation. If you were Herman's boss what would you have said, or done?

BETRAYED MANAGEMENT?

By Frank W. Colgan,
Cannon Electric Management Ass'n.,
Los Angeles, Calif.

If I were Herman's boss, I would first present the problem of several other hypothetical cases who missed by varying amounts of time (both longer and shorter than his two cases), and help him think through the problem to the obvious conclusion. If there is a rule, it is specific, not general, and should be applied to all objectively.

Secondly, I would discuss with him the idea of the analysis and thought that must have gone into setting of the 25-

THE WINNERS

Here are the best solutions to the supervisory problem No. 26. The winners have received checks for \$10 each and a handsome two-color Merit Award certificate suitable for framing.

week period (if not negotiation or arbitration), including any actual facts he probably knew and should have remembered regarding its establishment. This would bring out the point of his having betrayed his management (including himself) by arbitrarily abrogating the rule; and the further point that, if he felt that strongly, he had some place to go—to me, his boss—to present his case.

Thirdly, he had committed a cardinal sin of foremanship in promising something he was not (or should not have been) certain he could fulfill; thus, building himself a king-size headache in that he might have to back down, losing face, prestige, and trust. Proper procedure would have been to agree that it was pretty tough; to promise to TRY to help; and then to make the try. This would have upheld his fairness and interest, and in addition given him the chance to get all the answers and the reasons for them—probably increasing his stature "upstairs" as well as down.

INCOMPLETE COMMUNICATIONS?

By R. B. Scott,
Wage Administrator,
Hughes Aircraft Co.,
Tucson, Ariz.

This is an unfortunate situation where a foreman has made an agreement which is not within his power to grant—that of abrogating a union-management contract. Such action by a foreman is not too un-

com
com
sec
imm
O
three
made
tive.

TV
going
made
greeted
the t
be fu
with
requir
those
least
as the
no pa

TH
again
tions
ment.

FOU
explai
me w
act wa
against
the fu
establis
thing i
limits
authori

Pro
You
is H
Uni
Inst
and
sup
He
age
Air

common and is the result of incomplete communications from the labor relations section. I would then take the following immediate action:

ONE—Call into my office Herman, the three men to whom the commitment was made, and the labor relations representative.

TWO—Tactfully explain to the men going on layoff that an error has been made, which error the company deeply regretted, but that the agreement to pay the three men termination pay would not be fulfilled because it was not in accord with the existing labor agreement which required such payment be made only to those who had worked some part of at least 25 weeks since July 1st. Inasmuch as they failed to meet this requirement, no payment could be made.

THREE—Request that labor relations again orient supervisors in their obligations under the union-management agreement.

FOUR—Talk with Herman alone and explain to him that his act towards the men was a humanitarian act, but that such act was not a proper one, and caution him against making any such agreements in the future. He should be told that the establishment of a precedent is not a bad thing in itself, but that going beyond the limits of the agreement without proper authority is not proper for him to do.

SOLID FRONT

By Earl West

Bendix Products Div.—Missiles

Bendix Aviation Corp. Mishawaka, Ind.

As Herman's boss I would have no choice but to tell him he was in error in making such a commitment.

One might argue that the Ugat Co. should present a solid "front" and back up Herman; that it could cause ill will to reverse his decision; and that extenuating circumstances made his decision acceptable. However, this is not the case.

The company and the union had a contract, part of which was a clause that severance pay eligibility is dependent on working part of 25 weeks since July 1st. Any reduction of that time constitutes a breach of contract. In addition, such an action would establish a precedent so that next time it may be 10 men missing eligibility by one month.

The clause, like all rules, was set up for a purpose, and the company has no recourse in this case but to enforce it.

Now if Herman had promised to see what he could do, and then taken the case up with the proper person or persons, perhaps some special adjustment could have been made. Acting the way he did, the burden is on his shoulders to explain to the men why they will not receive their severance pay.

Professor Brenberger, who writes the problem for "How Would You Have Solved This?" and judges the entries of contestants, is head of the Department of Industrial Engineering of the University of Dayton. He is a graduate of the General Motors Institute and has had wide experience in industrial relations and engineering. In recent years he served as a project supervisor for a secret Air Force and Navy research program. He spends part of his free time conducting a specialized management development training course, which he organized for Air Force reserve officers.

REPORT TO THE MEMBERSHIP (Continued from page 2)

plans for the experimental Liberal Arts program which gets underway late this summer. This program is being field tested in several selected cities.

Even though the Area Representatives are coming in to Dayton to study, they bring with them valuable information on the activities of clubs in their territory. And they will be able to exchange ideas with other staff members so that everybody in the NMA will benefit from this exchange.

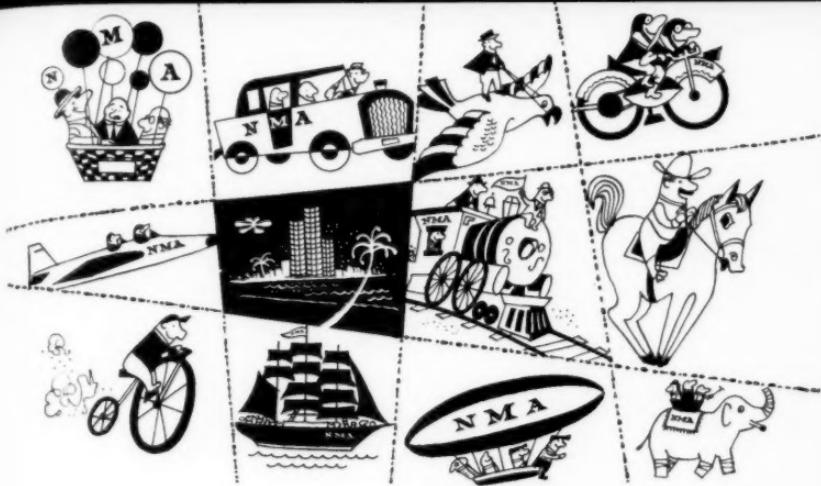
In comparison, this staff seminar is very much like those of our Councils and Clubs. It is a meeting-place for management men to get together to exchange the latest ideas and information to help them in their jobs. This annual staff seminar is another and important way that we maintain a high level of knowledge and enthusiasm on current NMA events to help you, the member, gain more from your NMA membership.



NMA CLUB ANNIVERSARIES

JULY: 5 years—*Taylor Forge & Pipe Works Gary Management Club, Ind.; PAA Management Club, Inc. of Brownsville, Texas; American Airlines Management Club of Los Angeles.*

AUGUST: 15 years—*Fenestra Foremen's Club, Detroit; Hamilton Management Club, Two Rivers, Wisc.* 5 years—*Gibson Refrigerator Management Club, Greenville, Mich.*



GO WEST, YOUNG MANAGER . . . To the National Conference in Los Angeles

The 35th NMA National Conference and Annual Meeting will be held in the Statler-Hilton in Los Angeles . . . Oct. 22, 23, 24, 1958. The theme: "Tomorrow's Management Today"—management, education and science in the Space Age: Included in the program will be six different conferences. Subjects included will be: motivation, mental health, delegation, decision making, management ethics and supervisory expression. Also, workshops and clinics, where staff members and national directors will discuss club operations and problems with the club representatives. New NMA developments and programs, including the liberal arts discussion programs, will be demonstrated. Awards for club accomplishments. **Make your reservations through your club president, now!**

Report to the Membership	2 Marion Kershner
In This Issue	3
Washington Report	4 Stewart French
Automation Affects the Plant	9 Joseph Harrington, Jr.
Ethics and the Executive; The Small Decisions that Count	16 Wayne G. Broehl, Jr.
How to Mow the Lawn	20 Christopher Hamilton
The Supervisor and Artificial Respiration	22 John B. Dunne
Cutting Indirect Expense by Relieving Worker Tension	26 Joseph W. Roberts
Company Profits and the Hat Trick	34 George L. Davis
Incentives in the United States	35 Louis Rutherford
Manners for Modern Managers	36 Auren Uris
Correspondence Schools	40 National Home Study Council
When is a Marxist Not a Marxist?	41 Dr. Alfred G. Meyer
TV: Continent to Continent, Soon	42 Steelways
The Fringe Frontier	43 Mark Metcalf
Improving Foreman Relations in Small Plants	46 Small Business Administration
Management Team Award	52 Chrysler Management Club (Detroit)
Act on Fact	54 James Black
Business Notebook	60 William M. Freeman
How Would You Have Solved This?	63 Lloyd Brenberger
NMA Club Anniversaries	66

